

Departmental Profit Income Statement

Company Name: **ACME Corp**

For the Year Ended: **December 31, 2023**

Department	Revenue (\$)	Cost of Goods Sold (\$)	Gross Profit (\$)	Operating Expenses (\$)	Departmental Profit (\$)
Electronics	850,000	500,000	350,000	120,000	230,000
Apparel	540,000	280,000	260,000	80,000	180,000
Home & Living	390,000	170,000	220,000	60,000	160,000
Subtotal	1,780,000	950,000	830,000	260,000	570,000
Less: Unallocated Operating Expenses					-90,000
Net Profit					480,000

Important Notes

- This statement breaks down income and expenses by department for better performance analysis.
- Gross profit is calculated as Revenue minus Cost of Goods Sold, per department.
- Departmental profit represents gross profit less direct operating expenses of each department.
- Unallocated expenses (e.g., head office costs) are deducted at the end to determine net profit.
- Accurate departmental allocation is essential for informed management decisions.