

ABC Company

Single-Step Profit and Loss Statement
For the Year Ended December 31, 2023

Revenues

Sales Revenue	\$550,000
Service Revenue	\$45,000
Total Revenues	\$595,000

Expenses

Cost of Goods Sold	\$300,000
Salaries and Wages Expense	\$90,000
Rent Expense	\$30,000
Utilities Expense	\$12,000
Depreciation Expense	\$8,000
Other Expenses	\$10,000
Total Expenses	\$450,000

Net Income

Net Income (Total Revenues - Total Expenses)	\$145,000
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Important Notes

- This statement uses a single-step format: total revenues minus total expenses.
- There is no sub-classification of revenues or expenses (such as operating or non-operating).
- Simplifies financial reporting and analysis for small businesses.
- Does not highlight gross profit or operating income separately.
- All income and expenses are grouped together for easy calculation.