

Segmental Income Statement

For the Year Ended December 31, 2023

Particulars	Segment A	Segment B	Segment C	Total
Revenue	500,000	750,000	300,000	1,550,000
Less: Cost of Goods Sold	320,000	500,000	180,000	1,000,000
Gross Profit	180,000	250,000	120,000	550,000
Less: Operating Expenses	60,000	90,000	50,000	200,000
Segment Profit	120,000	160,000	70,000	350,000
Less: Unallocated Expenses				40,000
Operating Profit				310,000

Important Notes

- Segmental reporting helps identify the profitability of each business segment.
- Unallocated expenses are costs not directly attributable to any specific segment.
- This statement aids management decision-making and enhances financial transparency.
- Segments can be based on products, services, or geographical areas depending on business structure.
- Comparability between segments is improved when consistent allocation methods are used.