

# Vertical Income Statement

For Year Ended December 31, 2023  
(For Profit Margin Analysis)

| Particulars                     | Amount (USD)  | % of Sales   |
|---------------------------------|---------------|--------------|
| Sales (Revenue)                 | 150,000       | 100.0%       |
| Less: Cost of Goods Sold (COGS) | 90,000        | 60.0%        |
| Gross Profit                    | <b>60,000</b> | <b>40.0%</b> |
| Less: Operating Expenses        | 30,000        | 20.0%        |
| Operating Profit (EBIT)         | <b>30,000</b> | <b>20.0%</b> |
| Less: Interest Expense          | 5,000         | 3.3%         |
| Less: Taxes                     | 6,000         | 4.0%         |
| Net Profit                      | <b>19,000</b> | <b>12.7%</b> |

- Each line item is shown as a percentage of total sales to simplify margin analysis.
- This structure enables easy comparison across time periods or with industry peers.
- Pay attention to trends in key ratios such as gross, operating, and net profit margins.
- Consistent formatting ensures clarity for stakeholders and decision-makers.