

Single-Step Income Statement

For the Year Ended December 31, 2023

Revenues

Sales Revenue	\$250,000
Service Revenue	\$35,000
Total Revenues	\$285,000

Expenses

Cost of Goods Sold	\$140,000
Salaries Expense	\$55,000
Rent Expense	\$18,000
Utilities Expense	\$5,500
Depreciation Expense	\$4,200
Miscellaneous Expense	\$2,300
Total Expenses	\$225,000

Net Income **\$60,000**

Important Notes:

- The single-step income statement totals all revenues and all expenses, then subtracts total expenses from total revenues to find net income.
- No distinction is made between operating and non-operating items.
- This format is simple and easy to understand, especially for small businesses.
- It may not provide sufficient detail for deeper financial analysis compared to the multi-step format.