

Single-step Gross Profit Statement

For the Year Ended December 31, 2023

Revenues

Net Sales	\$150,000
Other Income	\$5,000
Total Revenues	\$155,000

Expenses

Cost of Goods Sold	\$90,000
Operating Expenses	\$25,000
Total Expenses	\$115,000

Gross Profit

Gross Profit (Total Revenues - Total Expenses)	\$40,000
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Important Notes

- Single-step statements combine all revenues and expenses into simple categories.
- Gross profit is derived by subtracting total expenses from total revenues in one step.
- This format does not separately present operating and non-operating activities.
- Easy to prepare and understand, but may not provide detailed insights needed for analysis.
- Primarily used by small or uncomplicated businesses.