

MGMT 210 Financial Accounting

BluJay Aviation, Episode 6 Gift Shop Financial Statements

HNK Co. Income Statements (unaudited)			
	For the years ended Dec. 31, 2010	2009	2008
Sales	\$ 450,000	390,000	285,000
Cost of goods sold	<u>\$ 247,500</u>	<u>225,000</u>	<u>160,000</u>
Gross profit	\$ 202,500	\$ 165,000	\$ 125,000
Operating Expenses			
Wages	\$ 80,000	70,000	60,000
Utilities	\$ 35,000	33,000	31,500
Rent	\$ 77,250	75,000	75,000
Other	<u>\$ 2,000</u>	<u>1,700</u>	<u>2,400</u>
Total Oper. Exp	<u>\$ 194,250</u>	<u>\$ 179,700</u>	<u>\$ 168,900</u>
Operating Income	\$ 8,250	\$ (14,700)	\$ (43,900)
Interest expense	<u>\$ 10,000</u>	<u>0</u>	<u>0</u>
Net Income (loss)	<u>\$ (1,750)</u>	<u>\$ (14,700)</u>	<u>\$ (43,900)</u>
Additional Information:			
Accounts payable for merchandise at Dec. 31, 2010			\$89,000