

Acme's P&L numbers for one month

| Revenue (Sales) | |
|------------------------------|---------------|
| RR Traps | 13,470 |
| Hurricane Pills | 6,196 |
| Portable Holes | 10,002 |
| Internal Earthquakes | 3,484 |
| Coyote Catapults | 22,640 |
| Total Revenue (Sales) | 55,792 |

This is a look at one month for the Roadrunner division of Acme Products.

In one month RRT sold \$55,792 worth of traps

| Cost of Sales | |
|----------------------------|---------------|
| RR Traps | 7,161 |
| Hurricane Pills | 3,544 |
| Portable Holes | 5,640 |
| Internal Earthquakes | 432 |
| Coyote Catapults | 11,683 |
| Total Cost of Sales | 28,460 |

The cost of those sales, or COG (Cost of Goods) was \$28,460 and included wholesale purchase, product labor, packaging and other costs.

| | |
|---------------------|---------------|
| Gross Profit | 27,332 |
|---------------------|---------------|

The Gross Profit was the Total Revenue (Sales) minus the Cost of Sales (COG) is called the Gross Profit. $\$55,792 - \$28,460 = \$27,332$

| Expenses | |
|---------------------------|---------------|
| Salary expenses | 8,200 |
| Payroll expenses | 2,250 |
| Outside services | 3,000 |
| Supplies | 840 |
| maintenance | 200 |
| Advertising | 600 |
| Car, delivery and travel | 1,500 |
| Accounting and legal | 150 |
| Rent | 2,000 |
| Telephone | 58 |
| Utilities | 188 |
| Insurance | 150 |
| Taxes (real estate, etc.) | 300 |
| Shipping | 2,600 |
| Website | 300 |
| Misc. (unspecified) | |
| Total Expenses | 22,336 |

Note: Cost of Goods, and thus Gross Profit, vary as sales vary.

Expenses stay pretty much the same whether you sell anything or not.

| | |
|-------------------|--------------|
| Net Profit | 4,996 |
|-------------------|--------------|

Total Expenses are all the things that you pay for in a month, like rent, power, etc., that aren't tied directly to sales.

Net Profit is how much the company made in this month, after everything is paid. Subtract Total Expenses from Gross Profit.

$\$27,332 - \$22,336 = \$4,996$

Where the numbers come from

| 1 | Acme Productions, RoadRunner Division | | | | | | | | |
|----|---------------------------------------|----------------|-------|--------|-----------------|-----------------|--------|-----------------|-----------------|
| 2 | Products | | | Units | COG | Revenue | Units | COG | Revenue |
| 3 | Category | Product | Price | 6/1/10 | 6/1/10 | 6/1/10 | 7/1/10 | | |
| 4 | RR Traps | Spring Loaded | \$150 | 22 | \$1,650 | \$3,300 | 19 | \$1,425 | \$2,850 |
| 5 | | Box | \$75 | 22 | \$770 | \$1,650 | 21 | \$735 | \$1,575 |
| 6 | | Noose | \$30 | 24 | \$360 | \$720 | 22 | \$330 | \$660 |
| 7 | | Explosive | \$600 | 13 | \$4,381 | \$7,800 | 10 | \$3,370 | \$6,000 |
| 8 | Category Total | | | | \$7,161 | \$13,470 | | \$5,860 | \$11,085 |
| 9 | | | | | | | | | |
| 10 | Hurricane Pills | No 4 | \$48 | 15 | \$390 | \$720 | 15 | \$390 | \$720 |
| 11 | | No 5 | \$54 | 17 | \$476 | \$918 | 16 | \$448 | \$864 |
| 12 | | No 6 | \$62 | 28 | \$1,148 | \$1,736 | 27 | \$1,107 | \$1,674 |
| 13 | | No 7 | \$83 | 34 | \$1,530 | \$2,822 | 32 | \$1,440 | \$2,656 |
| 14 | Category Total | | | | \$3,544 | \$6,196 | | \$3,385 | \$5,914 |
| 15 | | | | | | | | | |
| 16 | Portable Holes | Floppy | \$345 | 18 | \$3,384 | \$6,210 | 16 | \$3,008 | \$5,520 |
| 17 | | Stiff | \$237 | 16 | \$2,256 | \$3,792 | 14 | \$1,974 | \$3,318 |
| 18 | Category Total | | | | \$5,640 | \$10,002 | | \$4,982 | \$8,838 |
| 19 | | | | | | | 15 | | |
| 20 | Internal Earthquakes | Richter 4 | \$56 | 18 | \$432 | \$1,008 | 17 | \$408 | \$952 |
| 21 | | Richter 5 | \$68 | 15 | \$420 | \$1,020 | 14 | \$392 | \$952 |
| 22 | | Richter 6 | \$91 | 16 | \$544 | \$1,456 | 16 | \$544 | \$1,456 |
| 23 | Category Total | | | | \$1,396 | \$3,484 | | \$1,344 | \$3,360 |
| 24 | | | | | | | | | |
| 25 | Coyote Catapults | Medieval | \$425 | 12 | \$2,820 | \$5,100 | 10 | \$2,350 | \$4,250 |
| 26 | | Coil Spring | \$395 | 16 | \$3,280 | \$6,320 | 14 | \$2,870 | \$5,530 |
| 27 | | Rocket | \$650 | 9 | \$2,907 | \$5,850 | 9 | \$2,907 | \$5,850 |
| 28 | | Rckst w/ chute | \$895 | 6 | \$2,676 | \$5,370 | 5 | \$2,230 | \$4,475 |
| 29 | Category Total | | | | \$11,683 | \$22,640 | | \$10,357 | \$20,105 |
| 30 | | | | | | | | | |
| 31 | | | | | | \$55,792 | | | \$49,302 |
| 32 | | | | | | | | | |

Categories that appear on the previous slide

Revenue that appears on the previous slide

Note price, units sold, the cost of goods, and revenue generated.

Acme's Unit Costs and Margins

| | A | B | C | D | E | F | G | H |
|----|---|----------------|------------------|-------------------|------------------|------------------|---------------------|---------------|
| 1 | Acme Productions, RoadRunner Division Unit Costs | | | | | | | |
| 2 | Products | | | | | | | |
| 3 | Category | Product | Wholesale | Acme Labor | Packaging | Unit cost | Retail Price | Margin |
| 4 | RR Traps | Spring Loaded | 25 | 38 | 12 | 75 | 150 | 50.00% |
| 5 | | Box | 17 | 12 | 6 | 35 | 75 | 53.33% |
| 6 | | Noose | 7 | 6 | 2 | 15 | 30 | 50.00% |
| 7 | | Explosive | 235 | 78 | 24 | 337 | 600 | 43.83% |
| 8 | | | | | | | | |
| 9 | Hurricane Pills | No 4 | 22 | 2 | 2 | 26 | 48 | 45.83% |
| 10 | | No 5 | 24 | 2 | 2 | 28 | 54 | 48.15% |
| 11 | | No 6 | 37 | 2 | 2 | 41 | 62 | 33.87% |
| 12 | | No 7 | 41 | 2 | 2 | 45 | 83 | 45.78% |
| 13 | | | | | | | | |
| 14 | Portable Holes | Floppy | 120 | 48 | 20 | 188 | 345 | 45.51% |
| 15 | | Stiff | 85 | 38 | 18 | 141 | 237 | 40.51% |
| 16 | | | | | | | | |
| 17 | Internal Earthquakes | Richter 4 | 18 | 2 | 4 | 24 | \$56 | 57.14% |
| 18 | | Richter 5 | 22 | 2 | 4 | 28 | \$68 | 58.82% |
| 19 | | Richter 6 | 28 | 2 | 4 | 34 | \$91 | 62.64% |
| 20 | | | | | | | | |
| 21 | Coyote Catapults | Medieval | 189 | 28 | 18 | 235 | \$425 | 44.71% |
| 22 | | Coil Spring | 155 | 32 | 18 | 205 | \$395 | 48.10% |
| 23 | | Rocket | 265 | 40 | 18 | 323 | \$650 | 50.31% |
| 24 | | Rckct w/ chute | 350 | 70 | 26 | 446 | \$895 | 50.17% |

Acme's margin for each product

What Acme pays for it

**Acme Labor
Packaging**

Acme's total cost per unit

**Price of each
Acme item**