

Financial Statement Analysis

Income Statement

Account	2019	2018
Revenue	100,000	100,000
Cost of Goods Sold	(40,000)	(40,000)
Gross Profit	60,000	60,000
Selling Expenses	(10,000)	(10,000)
Administrative Expenses	(10,000)	(10,000)
Depreciation Expense	(5,000)	(5,000)
Interest Expense	(2,000)	(2,000)
Income Tax Expense	(8,000)	(8,000)
Net Income	15,000	15,000

The income statement shows that the company's net income for 2019 was \$15,000, which is the same as in 2018. This indicates that the company's operating performance was stable over the two-year period. The gross profit margin is 60%, and the net profit margin is 15%.

