

Contribution Margin Income Statement: Retail/Wholesale

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The contribution margin format provides insights on a company's profitability. However, the format does not meet the accounting standards for external financial statements.

Company Name: Mary's Resale Shop

Contribution Margin Format Income Statement

For the Year * Ended December 31, 2022 **

* Insert the time period such as month, year, 5 weeks, etc.

** Insert the ending date of the period covered such as June 30, 2022; December 31, 2022; etc.

	Total Company	Product Line 1	Product Line 2	Product Line 3	
Sales	\$ 150,000.00	\$ 80,000.00	\$ 40,000.00	\$ 30,000.00	S
<u>Variable costs and expenses:</u>					
Cost of goods sold	81,000.00	42,000.00	25,000.00	14,000.00	
Variable selling expenses	14,000.00	8,000.00	4,000.00	2,000.00	
Variable administrative expenses	5,000.00	3,000.00	1,000.00	1,000.00	
Total variable costs & expenses	100,000.00	53,000.00	30,000.00	17,000.00	V
<u>Total contribution margin in dollars</u>	50,000.00	27,000.00	10,000.00	13,000.00	CM\$ (S - V)
Fixed costs and expenses traceable to products:					
Fixed cost of goods sold (if any)	-	-	-	-	
Fixed selling expenses	20,000.00	10,000.00	6,000.00	4,000.00	
Fixed administrative expenses	10,000.00	10,000.00	-	-	
Total fixed costs & expenses	30,000.00	20,000.00	6,000.00	4,000.00	F
Income before common costs & expenses	\$ 20,000.00	\$ 7,000.00	\$ 4,000.00	\$ 9,000.00	E (CM\$ - F)
<u>Costs and expenses common to all products:</u>					
Fixed cost of goods sold (if any)	-		Not allocated		
Fixed selling, general & admin expenses	16,000.00		Not allocated		
Total common costs and expenses	16,000.00		Not allocated		C
Net income	\$ 4,000.00		Not computed		NI (E - C)

For a blank form see **Form B5**.

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