

Category	Actual	Budget	Difference
Inflows			
Net Sales	400,000	350,000	50,000
Cost of Goods			
Merchandise Inventory, January 1	150,000	155,000	-5,000
Purchases	130,000	120,000	10,000
Total Merchandise Handled	280,000	275,000	5,000
Less Inventory, December 31	85,000	80,000	5,000
Cost of Goods Sold	195,000	195,000	0
Gross Profit	205,000	155,000	50,000
Interest Income	500	300	200
Total Income	205,500	155,300	50,200
Expenses			
Salaries	70,000	71,000	-1,000
Utilities	5,500	5,000	500
Rent	2,400	2,400	0
Office Supplies	1,200	1,000	200
Insurance	600	600	0
Advertising	6,000	6,500	-500
Telephone	1,200	1,200	0
Travel	10,000	9,000	1,000
Entertainment	2,000	2,000	0
Dues & Subscriptions	500	450	500
Interest Paid	10,000	8,500	1,500
Repairs & Maintenance	1,000	500	500
Taxes & Licenses	8,500	6,500	2,000
Total Expenses	145,000	140,300	4,700
Net Income	60,500	15,000	45,500