

Lean statement:

	This year	Last year
Net sales:	100,000	90,000
Cost of sales:		
Purchases	25,300	34,900
Inventory material: (increase)/decrease	<u>6,000</u>	<u>(6,000)</u>
Total material costs	31,300	28,900
Processing costs:		
Factory wages	11,000	11,500
Factory salaries	2,100	2,000
Factory benefits	7,000	5,000
Services and supplies	2,200	2,500
Equipment and depreciation	2,000	1,900
Scrap	2,000	4,000
Total processing costs	26,300	26,900
Occupancy costs:		
Building depreciation	200	200
Building services	<u>2,200</u>	<u>2,000</u>
Total occupancy costs:	2,400	2,200
Total manufacturing costs:	60,000	58,000
Inventory/labor, overhead: (increase)/decrease	<u>4,000</u>	<u>(4,000)</u>
Cost of sales	64,000	54,000
Gross profit	36,000	36,000
Gross profit percentage	36%	40%