

Combined Statement of Income and Retained Earnings

<i>All Inclusive Approach</i>		<i>Current Operating Performance</i>	
ZIPPY COMPANY Combined Statement of Income and Retained Earnings For The Year Ended December 31, 20X1		ZIPPY COMPANY Combined Statement of Income and Retained Earnings For The Year Ended December 31, 20X1	
Sales	\$ 400,000	Sales	\$ 400,000
Cost of sales	(240,000)	Cost of sales	(240,000)
Gross profit	160,000	Gross profit	160,000
Operating expenses	(50,000)	Operating expenses	(50,000)
Operating income	110,000		
<i>Extraordinary item</i>	<i>(100,000)</i>	Net income	\$ 110,000
Net income	\$ 10,000	Retained earnings, beginning	50,000
Retained earnings, beginning	50,000	<i>Extraordinary item</i>	<i>(100,000)</i>
Retained earnings, ending	\$ 60,000	Retained earnings, ending	\$ 60,000