|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| John Readings Pty Ltd.  Profit and Loss 202x |  |  | (all numbers in $000) | |
|  |  |  | Amount | % of Sales |
| Revenue |  |  |  |  |
| Gross Sales |  |  | $287,500 |  |
| Less Sales Returns & Allowances | |  | 22,500 |  |
| Net Sales |  |  | $265,000 | 100% |
|  |  |  |  |  |
| Cost of Sales |  |  |  |  |
| Beginning Inventory |  |  | $31,800 | 12% |
| Plus Goods Purchased/Manufactured | |  | 119,250 | 45% |
| Total Goods Available |  |  | $151,050 | 57% |
| Less Ending Inventory |  |  | 47,700 | 18% |
| Total Cost of Goods Sold |  |  | $103,350 | 39% |
| Gross Profit (Loss) |  |  | $161,650 | 61% |
|  |  |  |  |  |
| Operating Expenses |  |  |  |  |
|  |  |  |  |  |
| Salaries & Wages |  |  | $37,000 | 10% |
| Payroll Taxes\* |  |  | 1,795 | 0.5% |
| Insurance |  |  | 5,300 | 2% |
| Rent |  |  | 15,900 | 6% |
| Utilities |  |  | 7,950 | 3% |
| Depreciation & Amortisation |  |  | 3,650 | 1% |
| Office Supplies/ equipment |  |  | 7,950 | 3% |
| Furniture & Equipment |  |  | 10,600 | 4% |
| Transportation (Vehicle costs) |  |  | 5,300 | 2% |
| Bookstore Fitouts (32 @$1.1M) |  |  | 35,200 | 14% |
| Total Operating Expenses | |  | $114,745 | 22% |
| Net Income Before Taxes |  |  | $46,905 | 22% |
| Taxes on Income |  |  | 13,133 | 7% |
| Net Income After Taxes |  |  | $33,772 | 13% |
| Extraordinary Gain or Loss |  |  | $0 | 0% |
| Income Tax on Extraordinary Gain |  |  | 0 | 0% |
| Net Income |  |  | **$33,772** | **13%** |

NOTES:

There are approx. 138 bookstores to be upgraded to include a café with average cost estimate @ $1.1M per café built. Café upgrades planned to occur over next 4 years.

\*Calculated at Vic rates of 4.85%