PROFIT & LOSS STATEMENT

(For use in Tournament Game only)

END YEAR (circle year covered) 1 2 3 4 5 6 7 8

	ITEM	AMOUNT	COMMENTS
	SALES	$	Total of Line 4d on Running Record.
minus	COST OF GOODS SOLD	—	Compute COGS figure as follows: Starting inventory value ($12,000 first year) plus total of Line 2d plus total of Line 3c MINUS ending inventory valued at prices shown on December's Situation Card.
	GROSS PROFIT		
minus	FIXED EXPENSES	—	Total of Line 1 on Running Record.
	Sub Total		
minus	DEPRECIATION	—	10% of worth of factories at year end.
	Sub Total		
minus	INTEREST COSTS	—	Total of Line 5b on Running Record.
	NET BEFORE TAXES		
minus	TAXES	—	50% of Net Before Taxes—*pay cash.*
	NET PROFIT/LOSS	$	

The P&L Statement shown above must be worked from the top to the bottom. If you have operated profitably during the period covered, simply follow the instructions as indicated, subtracting each new expense item in order until a NET PROFIT is developed. *(See Example A below).*

However, if a loss has been incurred, sooner or later (working from top to bottom) the deduction will be larger than the sub-total. When this occurs, enter the difference between the two figures on the next line in brackets. From then on ADD TO this bracketed figure each new deduction so that you will end up in the Net Profit/Loss blank with a total of the loss incurred, in brackets. *(See Example B below).*

	Example A	Example B
SALES	$100,000	$ 50,000
COGS	— 70,000	— 40,000
Gross Profit	30,000	10,000
Fixed Expenses	— 20,000	— 12,000
Sub-Total	10,000	(2,000)
Depreciation	— 2,000	+ 1,000
Sub-Total	8,000	(3,000)
Interest	— 600	+ 500
Sub-Total	7,400	(3,500)
Taxes	— 3,700	—
NET PROFIT/LOSS	$ 3,700—Profit	($ 3,500)—Loss

See Instruction Book for details on loss carry-forward and tax refunds.

BALANCE SHEET

(For use in both Basic and Tournament Games)

END YEAR (circle year covered) 1 2 3 4 5 6 7 8

ASSETS		Example	LIABILITIES		Example
(1) Cash on Hand	$	$ 9,600.	(4) Loans Payable	$	$ 5,000.
(2) Inventory		12,200.	(5) Stock Issued		20,000.
(3) Fixed Assets		15,000.	(6) Surplus		11,800.
TOTAL ASSETS	$	$36,800.	TOTAL LIABILITIES	$	$36,800.

THESE TWO FIGURES MUST ALWAYS BE THE SAME!

(1) Add up cash in your hands at end of year and put total here.

(2) This figure is total worth of inventory on hand at the end of the year. Value inventory using prices printed on December's Situation Card.

(3) In the Basic Game, simply total up worth of factories you own (ignore loans against them) and enter total here. Compute converted factories at $12,000 apiece ($5,000 value of original Standard Factory plus $7,000 conversion costs). In Tournament Game, use the same procedure except that you must deduct depreciation as explained on the P&L Statement.

(4) Enter total of Line 5c from this year's Running Record plus total of 5c from future year's records, if any. Do not include interest for future years—only interest due for year being computed.

(5) Enter from Total Liability column on Stock Record form. In the Basic Game, this will always be $20,000. In the Tournament Game, because stock may be issued, the total may be higher.

(6) SURPLUS is the crucial figure. If operations have been profitable, enter here the amount necessary to make the TOTAL LIABILITIES figure precisely the same as the TOTAL ASSETS figure. (Procedure: Add 4 & 5, subtract total from Total Assets—difference is Surplus. Enter it and then total all Liabilities.)

If a loss has been incurred, however, Loans and Stock combined will total *more* than the Total Assets. In this event, you must reduce the value of the Stock until TOTAL ASSETS and TOTAL LIABILITIES are the same.

Of course, if operations have been so unprofitable that both Surplus and Stock have been wiped out, chances are excellent that you were in bankruptcy before the end of the year.

Payment of Dividends is covered in detail in the Instruction Book

RUNNING RECORD ______ MANUFACTURING CORPORATION

YEAR (Circle Current Year) 1 2 3 4 5 6 7 8

SENIOR BIDDER (President's initials)												
MONTH	JAN.	FEB.	MAR.	APR.	MAY	JUNE	JULY	AUG.	SEPT.	OCT.	NOV.	DEC.
1. FIXED EXPENSES—pay cash												
2. RAW MATERIAL (RMU) PURCHASES												
a. Number of units bid upon												
b. Bid per unit												
c. Number of units purchased												
d. Total Cost (b. × c.)—pay cash												
3. PRODUCTION (Converting RMU to FIU)												
a. Processing Cost thru Std. Factories												
b. Processing Cost thru Auto. Factories												
c. Total Cost (a. + b.)—pay cash												
4. SALES												
a. Number of units offered for sale												
b. Asking price per unit												
c. Number of units sold												
d. Total Income (b. × c.)—receive cash												
5. LOAN PAYABLE*												
a. Amount of loan												
b. Interest due @ ½% per month												
c. Total Owed												
6. CAPITAL IMPROVEMENTS*												
a. Standard Factory Units ordered												
b. Automated Factory Units ordered												
c. Conversions due for completion												
REMINDER NOTES—Self and Competitors												
South												
West												
East												
North												

* Make entries in month due

STOCK RECORD (For use in Tournament Game only)

Number of Shares Issued	Total Liability	Required Annual Dividend (10%)	Dividend Paid Year	Dividend Paid Year	Dividend Paid Year	Current Dividend Arrearage (if any)
20	$20,000.	$2,000.	$	$	$	$

Miscellaneous Notes:

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