

## Spreadsheet Directions

1. Start your spreadsheet software program.
2. Recreate the table on the previous page using your spreadsheet program.
3. Enter the appropriate formulas to calculate the following:
  - gross margin
  - total operating expenses
  - net income before taxes
4. Now, enter the formula for calculating the percent of sales for each of the components listed.
5. After completing your calculations, save your work.
6. Print out a copy of your work if your teacher has instructed you to do so.
7. Answer the following questions.

### Interpreting Results

1. What was the net income before taxes for Acme Model Company?

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2. What percent of sales did net income before taxes represent?

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### Drawing Conclusions

3. What three general strategies could Acme Model Company use to increase its net income before taxes?

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4. If Acme Model Company generates more sales next year, will profits increase?

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