

	Revenues	Cost of Sales	Gross Profit	Divisional Expenses	Margin Contribution	Net Profit
Residential Retail	\$	\$	\$	\$	\$	
Residential New Construction	\$	\$	\$	\$	\$	
Commercial New Construction	\$	\$	\$	\$	\$	
Administrative	\$		\$	\$	(\$)	
Total Company	\$	\$	\$		\$	\$

- Departmental revenues less departmental cost of sales equals departmental gross profit.
- Departmental gross profit less departmental expenses equals departmental margin contribution.
- Administrative division's revenues are limited to discounts earned, gain on sale of assets and a few other items. There is no cost of sales resulting in the division's gross profit being the same number as the revenues.
- Administrative division departmental expenses are always more than the administrative division gross profit resulting in a negative departmental margin contribution.
- Company net profit is the total of the four divisions' margin contributions.