

Grange Corporation is a manufacturer of precision drill bits. The bits are sold to machine and equipment dealers, and marketing is handled via a network of regionalized manufacturer representatives. The only selling expenses pertain to commissions paid to the manufacturer representatives. The commissions are 7% of total sales. The following information pertains to operations during the calendar year 20X9.

Sales	\$14,409,435
Administrative salaries	876,090
Direct labor	3,399,674
Indirect labor	1,232,055
Total depreciation	310,300
Total utilities	260,000
Interest expense	67,500
Other factory overhead	77,454

Of the total depreciation, 70% relates to manufacturing and 30% relates to general and administrative costs. Of the total utilities, 60% relates to manufacturing and 40% relates to general and administrative costs.

Income taxes are 33% of income before taxes.

Following is information about various inventory components:

	Raw Materials	Indirect Materials	Work in Process	Finished Goods
Beginning balance	\$ 775,090	\$ 55,080	\$1,213,678	\$1,242,664
Purchases	4,334,665	320,500	n/a	n/a
Ending balance	812,332	71,715	944,070	1,553,509

- Use the above information to construct a schedule of cost of goods manufactured for the year ending December 31, 20X9.
- Use the above information to construct a schedule of cost of goods sold for the year ending December 31, 20X9.
- Use the above information to construct an income statement for the year ending December 31, 20X9.