Problem 6-28

The following information is available for Nicole’s Toy Manufacturing Company for 2004:

Percent Percent

Amount Fixed Variable

Direct material $440,000 - 100

Direct labor 90,000 - 100

Variable manufacturing overhead 70,000 - 100

Fixed manufacturing overhead 800,000 100 -

Selling cost 950,000 45 55

Administrative cost 570,000 85 15

Sales for 2004 totaled $3,164,000 and there were no beginning or ending inventories.

Required: Prepare a contribution income statement for the year ended December 31, 2004.