

## US GAAP XBRL Taxonomy Inconsistency

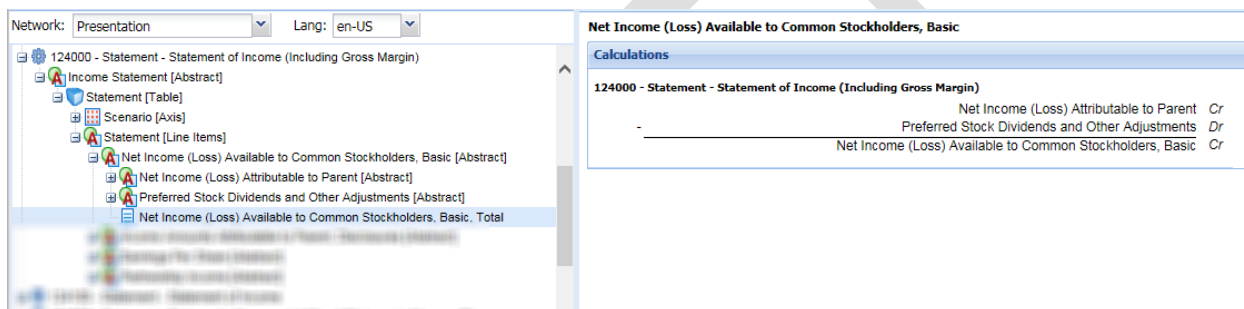
# Preferred Stock Dividends and Other Adjustments

By Charles Hoffman, CPA

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The US GAAP XBRL Taxonomy represents the relationship between “Net Income (Loss) Attributable to Parent” and “Net Income (Loss) Available to Common Stockholders, Basic” as follows in the US GAAP XBRL Taxonomy within the network 124000 – Statement – Statement of Income (Including Gross Margin):

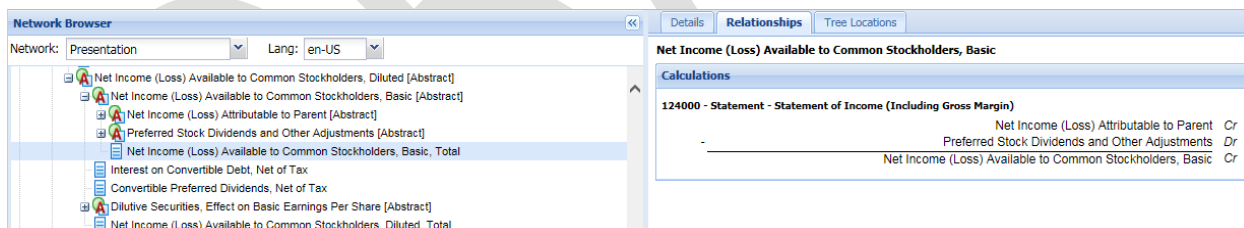
(See <http://goo.gl/S4hifv>)



Net Income (Loss) Available to Common Stockholders, Basic	
Calculations	
124000 - Statement - Statement of Income (Including Gross Margin)	
Net Income (Loss) Attributable to Parent	Cr
Preferred Stock Dividends and Other Adjustments	Dr
Net Income (Loss) Available to Common Stockholders, Basic	Cr

This same relationship is represented again in the network 780000 – Disclosure – Earnings Per Share:

(See <http://goo.gl/q0RTkm>)



Net Income (Loss) Available to Common Stockholders, Basic	
Calculations	
124000 - Statement - Statement of Income (Including Gross Margin)	
Net Income (Loss) Attributable to Parent	Cr
Preferred Stock Dividends and Other Adjustments	Dr
Net Income (Loss) Available to Common Stockholders, Basic	Cr

But then in Network 780000 – Disclosure – Earnings Per Share, the concept “Preferred Stock Dividends and Other Adjustments” is represented as a PART of a larger WHOLE, “Participating Securities, Distributed and Undistributed Earnings (Loss), Basic” as follows”

(See <http://goo.gl/e8jdlS>)

Network: Presentation Lang: en-US	
780000 - Disclosure - Earnings Per Share	
Earnings Per Share [Abstract]	
Earnings Per Share [Text Block]	
Schedule of Earnings Per Share, Basic, by Common Class, Including Two Class Method [Table Text Block]	
Schedule of Earnings Per Share, Basic, by Common Class, Including Two Class Method [Table]	
Class of Stock [Axis]	
Earnings Per Share, Basic, by Common Class, Including Two Class Method [Line Items]	
Earnings Per Share, Basic [Abstract]	
Earnings Per Share, Basic, Two Class Method [Abstract]	
Earnings Per Share, Nonrecurring Common Control Intra-Entity Transactions, Per Basic Share [Abstract]	
Participating Securities, Distributed and Undistributed Earnings (Loss), Basic [Abstract]	
Undistributed Earnings (Loss) Allocated to Participating Securities, Basic	
Preferred Stock Dividends and Other Adjustments	
Participating Securities, Distributed and Undistributed Earnings (Loss), Basic, Total	

Participating Securities, Distributed and Undistributed Earnings (Loss), Basic	
Calculations	
104050 - Statement - Statement of Financial Position, Classified	
Undistributed Earnings (Loss) Allocated to Participating Securities, Basic	Dr
+ Preferred Stock Dividends and Other Adjustments	Dr
Participating Securities, Distributed and Undistributed Earnings (Loss), Basic	Dr

On further piece of information helpful in this analysis is the list of concepts which further details the PARTS of “Preferred Stock Dividends and Other Adjustments” which is articulated consistently the same in both network 124000 – Statement – Statement of Income (Including Gross Margin) and network 780000 – Disclosure – Earnings Per Share as such:

(See <http://goo.gl/IRpj7c> from network 124000 – Statement – Statement of Income (Including Gross Margin))

Network: Presentation Lang: en-US	
124000 - Statement - Statement of Income (Including Gross Margin)	
Income Statement [Abstract]	
Statement [Table]	
Scenario [Axis]	
Statement [Line Items]	
Net Income (Loss) Available to Common Stockholders, Basic [Abstract]	
Net Income (Loss) Attributable to Parent [Abstract]	
Preferred Stock Dividends and Other Adjustments [Abstract]	
Preferred Stock Dividends, Income Statement Impact	
Redeemable Preferred Stock Dividends	
Convertible Preferred Stock Converted to Other Securities	
Preferred Stock Redemption Premium	
Preferred Stock Redemption Discount	
Preferred Stock Conversions, Inducements	
Temporary Equity, Dividends, Adjustment	
Temporary Equity, Accretion to Redemption Value, Adjustment	
General Partner Distributions	
Other Preferred Stock Dividends and Adjustments	
Preferred Stock Dividends and Other Adjustments, Total	

Preferred Stock Dividends and Other Adjustments	
Calculations	
124000 - Statement - Statement of Income (Including Gross Margin)	
Preferred Stock Dividends, Income Statement Impact	Dr
+ Redeemable Preferred Stock Dividends	Dr
+ Convertible Preferred Stock Converted to Other Securities	Dr
+ Preferred Stock Redemption Premium	Dr
- Preferred Stock Redemption Discount	Cr
+ Preferred Stock Conversions, Inducements	Dr
+ Temporary Equity, Dividends, Adjustment	Dr
+ Temporary Equity, Accretion to Redemption Value, Adjustment	Dr
+ General Partner Distributions	Dr
+ Other Preferred Stock Dividends and Adjustments	Dr
Preferred Stock Dividends and Other Adjustments	Dr

The next important piece of information for this analysis is that public companies report high-level earnings per share information in at least one of two common locations: (1) on the income statement and (2) within the notes to the financial statements, such as the earnings per share note.

For example, here is one public company that presents this information on the face of the income statement:

DIGITALGLOBE, INC

<http://www.sec.gov/Archives/edgar/data/1208208/000155837016003536/0001558370-16-003536-index.htm>

Condensed Consolidated Statements of Operations - USD (\$) shares in Millions, \$ in Millions	3 Months Ended								12 Months Ended		
	Dec. 31, 2015	Sep. 30, 2015	Jun. 30, 2015	Mar. 31, 2015	Dec. 31, 2014	Sep. 30, 2014	Jun. 30, 2014	Mar. 31, 2014	Dec. 31, 2015	Dec. 31, 2014	Dec. 31, 2013
<b>Condensed Consolidated Statements of Operations</b>											
Revenue	\$ 181.7	\$ 173.3	\$ 178.0	\$ 169.4	\$ 185.7	\$ 154.6	\$ 157.8	\$ 156.5	\$ 702.4	\$ 654.6	\$ 612.7
<b>Costs and expenses:</b>											
Cost of revenue, excluding depreciation and amortization	34.1	34.3	37.2	39.3	38.9	40.9	41.1	39.5	144.9	160.4	175.3
Selling, general and administrative	47.5	49.6	52.9	57.0	54.3	55.8	58.4	53.0	207.0	221.5	257.3
Depreciation and amortization	74.3	70.4	68.7	67.3	65.6	57.7	57.6	58.8	280.7	239.7	224.8
Restructuring charges	6.0	0.4	0.4	2.2				1.1	9.0	1.1	40.1
Income (loss) from operations	19.8	18.6	18.8	3.6	26.9	0.2	0.7	4.1	60.8	31.9	(84.8)
Interest expense, net	(5.3)	(5.6)	(5.4)	(12.7)	(7.1)				(29.0)	(7.1)	(3.4)
Loss from early extinguishment of debt											(17.8)
Other (expense) income, net	(0.5)	1.2			0.4	0.1		0.1	0.7	0.6	0.2
Income before income taxes	14.0	14.2	13.4	(9.1)	20.2	0.3	0.7	4.2	32.5	25.4	(105.8)
Income tax benefit (expense)	(3.4)	(4.6)	(5.4)	4.2	(8.0)	0.6	4.3	(3.8)	(9.2)	(6.9)	37.5
Net income	10.6	9.6	8.0	(4.9)	12.2	0.9	5.0	0.4	23.3	18.5	(68.3)
Preferred stock dividends	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(4.0)	(4.0)	(3.6)
Net income less preferred stock dividends	9.6	8.6	7.0	(5.9)	11.2	(0.1)	4.0	(0.6)	19.3	14.5	(71.9)
Income allocated to participating securities	0.4	0.4	0.3		0.5		0.1		0.8	0.6	
Net income (loss) available to common stockholders	\$ 9.2	\$ 8.2	\$ 6.7	\$ (5.9)	\$ 10.7	\$ (0.1)	\$ 3.9	\$ (0.6)	\$ 18.5	\$ 13.9	\$ (71.9)
<b>Earnings (loss) per share:</b>											
Basic loss per share (in dollars per share)	\$ 0.13	\$ 0.12	\$ 0.09	\$ (0.08)	\$ 0.14	\$ 0.00	\$ 0.05	\$ (0.01)	\$ 0.26	\$ 0.19	\$ (1.00)
Diluted loss per share (in dollars per share)	\$ 0.13	\$ 0.12	\$ 0.09	\$ (0.08)	\$ 0.14	\$ 0.00	\$ 0.05	\$ (0.01)	\$ 0.26	\$ 0.18	\$ (1.00)
<b>Weighted average common shares outstanding:</b>											
Basic (in shares)									71.0	74.9	71.8
Diluted (in shares)									71.5	75.9	71.8

Note the line item “Income allocated to participating securities” which makes use of the concept “us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic”.

And such, while information can be presented within the face of the income statement or presented within a note to the financial statements such as the earnings per share note; the disclosure of information is represented in exactly the same. Thus, there is an inconsistency between what the US GAAP XBRL Taxonomy represents for the disclosure between the income statement and the earnings per share note.

Analysis of all public companies which make use of the concepts “us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic” or “us-gaap:ParticipatingSecuritiesDistributedAndUndistributedEarningsLossBasic” supports this notion that the correct relation (consistently and universally) for this information should be the following all locations within the US GAAP XBRL Taxonomy:

- (+) Net Income (Loss) Attributable to Parent
- (+) Participating Securities, Distributed and Undistributed Earnings (Loss), Basic
- (=) Net Income (Loss) Available to Common Stockholders, Basic

And then the WHOLE, “Participating Securities, Distributed and Undistributed Earnings (Loss), Basic” is consistently and universally comprised of the following set of PARTS:

- (+) Undistributed Earnings (Loss) Allocated to Participating Securities, Basic
- (+) Preferred Stock Dividends and Other Adjustments
- (=) Participating Securities, Distributed and Undistributed Earnings (Loss), Basic

The point here is NOT that every public company MUST report all of these line items. The point is simply that if information is to appear, it consistently and universally should appear with EXACTLY the same relations to other concepts. Said another way, concepts don't "move around" relative to other concepts. For example "Assets = Liabilities and Equity", the accounting equation, is fundamental, universal, and consistently the same. The same is true for other relations. If this notion is not true; then it is likely the case that different concepts should be created which articulate subtleties or important nuances. Where information is presented is a completely different question. The issue here is the representation of the information, NOT where information is presented.

And so, it seems to me that these two inconsistent structures should be "merged" into one consistent structure and provided only once in the US GAAP XBRL Taxonomy to reduce the risk of the two structures becoming inconsistent as the taxonomy is edited and otherwise maintained over the years.

What follows are examples of how public companies use concepts related to this analysis are actually being used within XBRL-based financial filings to the Securities and Exchange Commission.

Note that some of these examples provide additional nuances that should be taken into consideration when representing this disclosure information. We will not discuss these additional nuances here in order to focus on the bigger picture of these higher-level concepts.

# EXAMPLE #1: TESCO TECHNOLOGIES INC

<http://www.sec.gov/Archives/edgar/data/927355/000155837016003088/0001558370-16-003088-index.htm>

Consistent with analysis/expectation.

	Period [Axis]			
	2015-09-28 - 2015-12-27	2015-03-30 - 2015-12-27	2014-09-29 - 2014-12-28	2014-03-31 - 2014-12-28
us-gaap:NetIncomeLoss				
Earnings Per Share				
Earnings per share - Basic				
Net earnings	2,886,700	7,330,300	1,681,200	8,866,200
Less: Distributed and undistributed earnings allocated to nonvested stock	(8,000)	(20,000)	(9,000)	(48,000)
Earnings available to common shareholders - Basic	2,879,000	7,310,000	1,672,000	8,818,000
us-gaap:ParticipatingSecuritiesDistributedAndUndistributedEarningsLossBasic				
us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic				

# EXAMPLE #2: PULTEGROUP INC/MI/

<http://www.sec.gov/Archives/edgar/data/822416/000082241616000048/0000822416-16-000048-index.htm>

This representation is an error because a PART and the WHOLE are both used as PARTS to reconcile the line items “Net income” with “Numerator for basic earnings per share”. If this error is corrected, this representation is consistent with what is expected.

us-gaap:NetIncomeLoss				
us-gaap:ParticipatingSecuritiesDistributedAndUndistributedEarningsLossBasic				
Accounting Policies [Abstract]				
Earnings Per Share Reconciliation [Abstract]				
Numerator:				
Net income	228,027,000	107,769,000	103,324,000	494,090,000
Less: earnings distributed to participating securities				(755,000)
Less: undistributed earnings allocated to participating securities				(2,448,000)
Numerator for basic earnings per share				490,887,000
us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic				
us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic				

### EXAMPLE #3: CONCHO RESOURCES INC

<http://www.sec.gov/Archives/edgar/data/1358071/000135807116000026/0001358071-16-000026-index.htm>

Consistent with expectation; however, filer entered value in using the wrong polarity. If this error is corrected, this is an example consistent with my observation.

	2015-01-01 - 2015-12-31	2014-01-01 - 2014-12-31
us-gaap:ParticipatingSecuritiesDistributedAndUndistributedEarningsLossBasic	Statement, Operating Activities Segment [Axis]	Statement, Operating Activities Segment [Axis]
Earnings Per Share, Basic and Diluted, by Common Class, Including Two Class Members [Line Items]	Segment, Operating Activities [Domain]	Segment, Operating Activities [Domain]
Income as reported	65,900,000	538,175,000
Participating basic earnings	(635,000)	(5,961,000)
Basic income attributable to common stockholders	65,265,000	532,214,000

us-gaap:NetIncomeLoss

us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic

### EXAMPLE #4: First Connecticut Bancorp, Inc.

<http://www.sec.gov/Archives/edgar/data/1511198/000157104915008897/0001571049-15-008897-index.htm>

This is consistent with the expected relationship:

	Period [Axis]			
Earnings Per Share [Abstract]	2015-07-01 - 2015-09-30	2015-01-01 - 2015-09-30	2014-07-01 - 2014-09-30	2014-01-01 - 2014-09-30
Earnings Per Share [Abstract]				
Net income	4,215,000	10,198,000	2,506,000	6,188,000
Less: Dividends to participating shares	(8,000)	(33,000)	(13,000)	(41,000)
Income allocated to participating shares	(63,000)	(127,000)	(41,000)	(109,000)
Net income allocated to common stockholders	4,144,000	10,038,000	2,452,000	6,038,000

us-gaap:NetIncomeLoss

us-gaap:PreferredStockDividendsAndOtherAdjustments

us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic

us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic

#### EXAMPLE #5: COMMUNITY WEST BANCSHARES /

<http://www.sec.gov/Archives/edgar/data/1051343/000114036115039951/0001140361-15-039951-index.htm>

This is an ERROR because the filer is using a PART (in red) and then the WHOLE “Preferred stock dividends and other adjustments” per the US GAAP XBRL Taxonomy. This representation is therefore illogical but if corrected would be consistent with the relations pointed out in this analysis.

	Cost of services and supplies	10,000	281,000	187,000	586,000
	FDIC assessment	99,000	252,000	83,000	253,000
	Loan litigation settlement, net	(50,000)	7,103,000	0	0
	Other	421,000	1,291,000	422,000	1,382,000
	Total non-interest expenses	5,038,000	22,190,000	4,879,000	15,435,000
	Income before provision for income taxes	2,743,000	1,822,000	2,919,000	8,274,000
	Provision for income taxes	1,152,000	803,000	1,207,000	3,414,000
	Net income	1,591,000	1,019,000	1,712,000	4,860,000
	Dividends on preferred stock	125,000	401,000	176,000	778,000
	Discount on partial redemption of preferred stock	0	(129,000)	0	(144,000)
	Net income available to common stockholders	1,466,000	747,000	1,536,000	4,226,000
	Earnings				

#### EXAMPLE #6: BARNES & NOBLE INC

<http://www.sec.gov/Archives/edgar/data/890491/000119312515395359/0001193125-15-395359-index.htm>

This representation does not have the TOTAL “Preferred stock and other adjustments”, but it does have several PARTS of that WHOLE; and THEN also uses the undistributed earnings concept. So, this is consistent with the expected relationship.

	Period					
	2015-08-02 - 2015-10-31			2015-05-03 - 2015-10-31		
	Earnings Per Share [Axis]			Earnings Per Share [Axis]		
	Continuing Operations [Member]	Discontinued Operations [Member]	Earnings Per Share [Domain]	Continuing Operations [Member]	Discontinued Operations [Member]	Earnings Per Share [Domain]
Reconciliation Of Earning Per Share Statement [Line Items]						
Numerator for basic income (loss) per share:						
Net loss from continuing operations attributable to Barnes & Noble, Inc.			(27,203,000)			(34,954,000)
Inducement fee paid upon conversion of Series J preferred stock						(3,637,000)
Preferred stock dividends						(1,783,000)
Preferred stock dividends paid in shares						(4,204,000)
Accretion of dividends on preferred stock						(692,000)
Less allocation of dividends to participating securities			(332,000)			
Less allocation of undistributed earnings to participating securities						
Net loss from continuing operations available to common shareholders			(27,535,000)			(45,290,000)
Net income (loss) from discontinued operations attributable to Barnes & Noble, Inc.		(12,023,000)	(12,023,000)		(39,146,000)	(39,146,000)
Less allocation of undistributed earnings to participating securities						
Net income (loss) from discontinued operations		(12,023,000)	(12,023,000)		(39,146,000)	(39,146,000)
Net income (loss) available to common shareholders			(39,558,000)			(84,436,000)

## EXAMPLE #7: DIGITALGLOBE, INC.

<http://www.sec.gov/Archives/edgar/data/1208208/000155837016003536/0001558370-16-003536-index.htm>

This is consistent with the relationships, but it does add an additional subtotal. The additional subtotal does not break the other relationship, only provides additional information while not breaking anything.

Does the subtotal belong here? If so, then it is likely the case that this concept should be placed in this location within the US GAAP XBRL Taxonomy.

	2015-10-01 - 2015-12-31	2015-07-01 - 2015-12-31	2014-10-01 - 2014-12-31	2014-07-01 - 2014-12-31
Income before income taxes	14,000,000	14,200,000	13,400,000	32,500,000
Income tax benefit (expense)	(3,400,000)	(4,600,000)	(5,400,000)	4,200,000
<b>Net income</b>	<b>10,600,000</b>	<b>9,600,000</b>	<b>8,000,000</b>	<b>23,300,000</b>
Preferred stock dividends	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)
Net income less preferred stock dividends	9,600,000	8,600,000	7,000,000	19,300,000
Income allocated to participating securities	400,000	400,000	300,000	800,000
Net income (loss) available to common stockholders	9,200,000	8,200,000	6,700,000	18,500,000
<b>Subtotal: us-gaap:UndistributedEarnings</b>	<b>10,700,000</b>	<b>11,200,000</b>	<b>(5,900,000)</b>	<b>10,700,000</b>

Callouts from US GAAP concepts:

- us-gaap:NetIncomeLoss points to Net income
- us-gaap:PreferredStockDividendsIncomeStatementImpact points to Preferred stock dividends
- us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic points to Income allocated to participating securities
- us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic points to Net income (loss) available to common stockholders
- Subtotal: us-gaap:UndistributedEarnings points to the subtotal row

## EXAMPLE #8: FARMER BROTHERS CO

<http://www.sec.gov/Archives/edgar/data/34563/000003456316000085/0000034563-16-000085-index.htm>

This representation is consistent; although the filings has an error. The filer entered the value for undistributed earnings with the reverse polarity of what should have been entered as pointed out by the fundamental accounting concepts relations validation (see the message below). Also note; it does not hurt anything but the net income (loss) concepts are in reverse order:

	2015-10-01 - 2015-12-31	2015-07-01 - 2015-12-31	2014-10-01 - 2014-12-31	2014-07-01 - 2014-12-31
Net income attributable to common stockholders—Basic	5,554,000	4,482,000	2,885,000	5,391,000
Undistributed Earnings (Loss) Allocated to Participating Securities, Basic	7,000	5,000	11,000	20,000
<b>Net income</b>	<b>5,561,000</b>	<b>4,487,000</b>	<b>2,896,000</b>	<b>5,411,000</b>

Callouts from US GAAP concepts:

- us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic points to Net income attributable to common stockholders—Basic
- us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic points to Undistributed Earnings (Loss) Allocated to Participating Securities, Basic
- us-gaap:NetIncomeLoss points to Net income

```

IS8
(10,000)
fac:NetIncomeLossAvailableToCommonStockholdersBasic[us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic[4,482,000]] =
(fac:NetIncomeLossAttributableToParent[us-gaap:NetIncomeLoss[4,487,000]] - fac:PreferredStockDividendsAndOtherAdjustments[us-gaap:UndistributedEarningsLossAllocatedToParticipatingSecuritiesBasic[-5,000]])
  
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# EXAMPLE #9: CH2M HILL COMPANIES LTD

<http://www.sec.gov/Archives/edgar/data/777491/000155837016003349/0001558370-16-003349-index.htm>

This representation is consistent with expectation.

Numerator - basic and diluted:							
Net income (loss)				92,117,000			
Less: (income) loss attributable to noncontrolling interests				(11,714,000)			
Net income (loss) attributable to CH2M	(584,000)	41,211,000	16,278,000	80,403,000	23,498,000	(55,653,000)	(131,200,000)
Less: income allocated to preferred stockholders				4,279,000			
Less: Accrued dividends attributable to preferred stockholders				5,088,000			
Net income available to common stockholders - basic and diluted				71,036,000			
Denominator:							

# EXAMPLE #10: SENECA FOODS CORP /NY/

<http://www.sec.gov/Archives/edgar/data/88948/000008894816000046/0000088948-16-000046-index.htm>

Consistent with expectation, using a PART OF preferred dividends and other adjustments (or the concept should be part of that); also, not sure “us-gaap:DividendsCash” is really the best concept. Also, this representation has the same subtotal as pointed out in EXAMPLE #7 above. This is additional evidence that this should perhaps be added to the US GAAP XBRL Taxonomy.

Earnings Per Share [Abstract]	Period [Axis]			
	2015-09-27 - 2015-12-26	2015-04-01 - 2015-12-26	2014-09-28 - 2014-12-27	2014-04-01 - 2014-12-27
Earnings Per Share [Abstract]				
Net Earnings (Loss)	31,123,000	40,613,000	7,819,000	7,134,000
Deduct preferred stock dividends	6,000	17,000	6,000	17,000
Undistributed Earnings, Basic	31,117,000	40,596,000	7,813,000	7,117,000
Undistributed Earnings Allocated to Participating Securities	285,000	416,000	102,000	122,000
Earnings (Loss) Attributable to Common Stock	30,832,000	40,180,000	7,711,000	6,995,000
Subtotal: us-gaap:UndistributedEarnings				

### EXAMPLE #11: Testing of 6,734 Public Company Financial Filings

The XBRL-based financial filings of 6,734 public companies were examined and of those filings, a total of 6,712 or 99.6% were consistent with the following relation per testing:

- (+) Net Income (Loss) Attributable to Parent
- (+) Preferred Stock Dividends and Other Adjustments
- (=) Net Income (Loss) Available to Common Stockholders, Basic

This filing for ADVANCED ENVIRONMENTAL RECYCLING TECHNOLOGIES INC shows that example:

<http://www.sec.gov/Archives/edgar/data/849706/000117184315006378/0001171843-15-006378-index.htm>

Statement [Line Items]	Period [Axis]			
	2015-07-01 - 2015-09-30	2015-01-01 - 2015-09-30	2014-07-01 - 2014-09-30	2014-01-01 - 2014-09-30
Net sales	21,843,000	65,564,000	20,724,000	61,961,000
Cost of goods sold	16,503,000	52,249,000	15,639,000	48,682,000
Gross margin	5,340,000	13,315,000	5,085,000	13,279,000
Selling and administrative costs	3,318,000	9,825,000	3,027,000	9,037,000
Gain from asset disposition		(1,000)	(50,000)	(64,000)
Operating income	2,022,000	3,491,000	2,108,000	4,306,000
<b>Other income and expenses:</b>	us-gaap:NetIncomeLoss			
Other income	2,000	12,000	12,000	11,000
Gain from involuntary conversion of non-monetary assets due to fire			(500,000)	345,000
Net interest expense	(853,000)	(2,624,000)	(779,000)	(2,372,000)
Net income	1,171,000	879,000	841,000	2,290,000
Dividends on preferred stock	(398,000)	(1,175,000)	(375,000)	(1,107,000)
Net income (loss) applicable to common stock	773,000	(296,000)	466,000	1,183,000

us-gaap:NetIncomeLossAvailableToCommonStockholdersBasic

us-gaap:PreferredStockDividendsAndOtherAdjustments

Because there are so many public companies that use this relationship, it could perhaps be a good reason to provide for this specific income statement relation in the US GAAP XBRL Taxonomy:

#### Net Income (Loss) Available to Common Stockholders, Basic

##### Calculations

##### 124000 - Statement - Statement of Income (Including Gross Margin)

	Net Income (Loss) Attributable to Parent	Cr
-	Preferred Stock Dividends and Other Adjustments	Dr
	Net Income (Loss) Available to Common Stockholders, Basic	Cr