# Where did $100 go?

For the teacher. Every number comes from the filing named next to it.

## Part A. Your guess

Nike kept $6.7 of every $100 it took in during FY2026 (that is, $6.70). Any guess is fine. The point is to compare it with the real number.

## Part B. Four words

Revenue: money a company earns from customers in a year.

Cost: money a company spends to make, sell or run things.

Tax: money a company pays to governments, based on its profit.

Net income (profit): what is left after all costs, interest and taxes for the year.

## Part C. The real receipts, with their 10-K lines

Accept any estimates that add up to between $99.80 and $100.20.

Nike, FY2026 · Form 10-K FY2026 (filed Jul 15, 2026), Item 8, Consolidated Statements of Income, p. 55 · Total money in: 46,501 = "Revenues" 46,398 plus net interest income and other income 103

Products sold (cost of sales): Per $100: $57.0; 10-K line: "Cost of sales"; US$ million: 26,487

Advertising and athlete deals (demand creation): Per $100: $10.2; 10-K line: "Demand creation expense"; US$ million: 4,754

Wages, rent and other overhead: Per $100: $24.4; 10-K line: "Operating overhead expense"; US$ million: 11,360

Income tax: Per $100: $1.7; 10-K line: "Income tax expense"; US$ million: 792

Kept as net income: Per $100: $6.7; 10-K line: "Net income"; US$ million: 3,108

Total: $100.0

Costco, FY2026 · Form 10-K FY2026 (filed Oct 7, 2026), Item 8, Consolidated Statements of Income, p. 37 · Total money in: 303,865 = "Total revenue" 303,154 plus "Interest income and other, net" 711

Merchandise costs: Per $100: $87.0; 10-K line: "Merchandise costs"; US$ million: 264,279

Running costs: Per $100: $8.9; 10-K line: "Selling, general and administrative"; US$ million: 27,190

Interest and tax: Per $100: $1.0; 10-K line: "Interest expense" 145 plus "Provision for income taxes" 3,025; US$ million: 3,170


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Kept as net income: Per $100: $3.0; 10-K line: "Net income"; US$ million: 9,226

Total: $99.9 (rounding)

Costco's page also gives net income to the cent: $3.04 of every $100.

McDonald's, FY2025 · Form 10-K FY2025 (filed Feb 24, 2026), Item 8, Consolidated Statement of Income, p. 39 · Total money in: 26,972 = "Total revenues" 26,885 plus net nonoperating income 87

Company-run restaurants (food, paper, pay, occupancy): Per $100: $30.7; 10-K line: "Company-owned and operated restaurant expenses" (food and paper, payroll and employee benefits, occupancy and other); US$ million: 8,268 (the total stated on pp. 12 and 52; the p. 39 lines add to 8,269 because of rounding)

Selling, general and admin: Per $100: $11.3; 10-K line: "Selling, general & administrative expenses" (depreciation and amortization 457 plus other 2,583); US$ million: 3,040

Franchised restaurants' occupancy: Per $100: $9.7; 10-K line: "Franchised restaurants-occupancy expenses"; US$ million: 2,618

Other restaurant and operating costs: Per $100: $2.1; 10-K line: "Other restaurant expenses" 564 plus "Other operating (income) expense, net" 2; US$ million: 566

Interest: Per $100: $5.9; 10-K line: "Interest expense-net of capitalized interest"; US$ million: 1,582

Income tax: Per $100: $8.7; 10-K line: "Provision for income taxes"; US$ million: 2,334

Kept as net income: Per $100: $31.7; 10-K line: "Net income"; US$ million: 8,563

Total: $100.1 (rounding)

Apple, FY2026 · Form 10-K FY2026 (filed Nov 3, 2026), Item 8, Consolidated Statements of Operations, p. 32 · Total money in: 480,008 = "Total net sales" 478,834 plus "Other income/(expense), net" 1,174

Cost of products: Per $100: $45.0; 10-K line: Cost of sales: "Products"; US$ million: 215,874

Cost of services: Per $100: $6.1; 10-K line: Cost of sales: "Services"; US$ million: 29,358

Research and development: Per $100: $9.5; 10-K line: "Research and development"; US$ million: 45,765

Selling, general and administrative: Per $100: $6.2; 10-K line: "Selling, general and administrative"; US$ million: 29,774

Income tax: Per $100: $5.6; 10-K line: "Provision for income taxes"; US$ million: 27,062

Kept as net income: Per $100: $27.5; 10-K line: "Net income"; US$ million: 132,175

Total: $99.9 (rounding)

Gap score. For each line, gap = bigger number − smaller number. The total gap is the sum. Example (made up): a group guessed $50.0 for Nike's products sold; the gap is $57.0 − $50.0 = $7.0.


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## Part D. Turn yearly numbers into "per $100"

Cityfort calculations, using the figures on each company's page:

D1. Apple: $132.2 billion ÷ $480.0 billion × 100 = 27.54, or $27.5 to the nearest 10 cents. Apple kept about $27.5 of every $100 in FY2026, matching its receipt.

D2. Costco: $9.2 billion ÷ $303.9 billion × 100 = 3.03, or $3.0 to the nearest 10 cents, matching its receipt.

## Part E. Same $100, different businesses

E1. Accept answers that explain a difference in the business model, with no verdict. Strong answers name a receipt line.

Costco: merchandise costs took $87.0 of each $100. Costco earns thin margins on a high volume of sales, and members pay a yearly fee.

Apple: the cost of its products and services together took $51.1 of each $100 (Cityfort calculation: $45.0 + $6.1). In FY2026, Services kept $76.2 of gross margin per $100 of sales, and products kept $39.3 (Apple Form 10-K FY2026, Item 7, "Gross margin percentage", p. 27).

Not accepted: answers that rank the companies or talk about their stock.

E2. "Per $100" is a share; "in total" is dollars. Costco took in far more money than Nike: $303.9 billion against $46.5 billion. So Costco's $3.0 of each $100 added up to $9.2 billion. Nike's $6.7 of each $100 added up to $3.1 billion. (Costco's FY2026 ended Aug 30, 2026; Nike's ended May 31, 2026.)

## Advanced (Cityfort calculations, formula given on the worksheet)

Costco, FY2026 (total money in 303,865)

Merchandise costs: 264,279 ÷ 303,865 × 100 = $86.97 to the cent; $87.0 to the nearest 10 cents; receipt $87.0

Running costs: 27,190 ÷ 303,865 × 100 = $8.95 to the cent; $8.9 to the nearest 10 cents; receipt $8.9

Interest and tax: 3,170 ÷ 303,865 × 100 = $1.04 to the cent; $1.0 to the nearest 10 cents; receipt $1.0

Kept as net income: 9,226 ÷ 303,865 × 100 = $3.04 to the cent; $3.0 to the nearest 10 cents; receipt $3.0

Running costs are 8.948 before rounding, so they round to $8.9. A student who rounds $8.95 again will get $9.0. Accept either, and use it to show why you round only once, from the unrounded number.

Nike, FY2026 (total money in 46,501; for students whose group had Costco)

Products sold (cost of sales): 26,487 ÷ 46,501 × 100 = $56.96 to the cent; $57.0 to the nearest 10 cents; receipt $57.0


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Advertising and athlete deals: 4,754 ÷ 46,501 × 100 = $10.22 to the cent; $10.2 to the nearest 10 cents; receipt $10.2

Wages, rent and other overhead: 11,360 ÷ 46,501 × 100 = $24.43 to the cent; $24.4 to the nearest 10 cents; receipt $24.4

Income tax: 792 ÷ 46,501 × 100 = $1.70 to the cent; $1.7 to the nearest 10 cents; receipt $1.7

Kept as net income: 3,108 ÷ 46,501 × 100 = $6.68 to the cent; $6.7 to the nearest 10 cents; receipt $6.7

## Exit ticket

1. Revenue is the money a company earns from customers in a year. Accept "the money a company takes in from selling things."

2. $6.7 (that is, $6.70).

3. Accept answers that say McDonald's owns or leases the buildings (or land) of restaurants that franchisees run, and charges them rent. Example: "It suggests McDonald's is a landlord for many restaurants other people run." Background: franchisees run about 95% of McDonald's restaurants (McDonald's Form 10-K FY2025, Item 1, p. 3).

## Notes

- Data checked Nov 7, 2026. Page numbers are the printed page numbers in each 10-K. The 10-K figures are in US$ million, as stored on each Cityfort page. Each "per $100" amount is a Cityfort calculation: the 10-K figure ÷ total money in × 100, rounded to the nearest 10 cents, as shown on the page.

## The receipts

**Where each $100 went: Nike, FY2026**

| Line | Per $100 that came in |
|---|---|
| **Products sold (cost of sales)** | $57.0 |
| **Advertising and athlete deals (demand creation)** | $10.2 |
| **Wages, rent and other overhead** | $24.4 |
| **Income tax** | $1.7 |
| **Kept as net income** | $6.7 |
| **Total** | $100.0 |


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Source: Nike's FY2026 Form 10-K, filed Jul 15, 2026; Item 8, Consolidated Statements of Income, p. 55; Cityfort calculation: each line ÷ the total money that came in × 100.

### Where each $100 went: Costco, FY2026

| Line | Per $100 that came in |
|---|---|
| **Merchandise costs** | $87.0 |
| **Running costs** | $8.9 |
| **Interest and tax** | $1.0 |
| **Kept as net income** | $3.0 |
| **Total** | $99.9 |

Source: Costco's FY2026 Form 10-K, filed Oct 7, 2026; Item 8, Consolidated Statements of Income, p. 37; Cityfort calculation: each line ÷ the total money that came in × 100. Lines are rounded to the nearest 10 cents, so the total may differ from $100 by a few cents.

### Where each $100 went: McDonald's, FY2025

| Line | Per $100 that came in |
|---|---|
| **Company-run restaurants (food, paper, pay, occupancy)** | $30.7 |
| **Selling, general and admin** | $11.3 |
| **Franchised restaurants' occupancy** | $9.7 |
| **Other restaurant and operating costs** | $2.1 |
| **Interest** | $5.9 |
| **Income tax** | $8.7 |
| **Kept as net income** | $31.7 |
| **Total** | $100.1 |

Source: McDonald's FY2025 Form 10-K, filed Feb 24, 2026; Item 8, Consolidated Statement of Income, p. 39; Cityfort calculation: each line ÷ the total money that came in × 100. Lines are rounded to the nearest 10 cents, so the total may differ from $100 by a few cents.


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### Where each $100 went: Apple, FY2026

| Line | Per $100 that came in |
|---|---|
| **Cost of products** | $45.0 |
| **Cost of services** | $6.1 |
| **Research and development** | $9.5 |
| **Selling, general and administrative** | $6.2 |
| **Income tax** | $5.6 |
| **Kept as net income** | $27.5 |
| **Total** | $99.9 |

Source: Apple's FY2026 Form 10-K, filed Nov 3, 2026; Item 8, Consolidated Statements of Operations, p. 32; Cityfort calculation: each line ÷ the total money that came in × 100. Lines are rounded to the nearest 10 cents, so the total may differ from $100 by a few cents.

## Sources


1. S1: Nike: Form 10-K for fiscal 2026 (year ended May 31, 2026), NIKE, Inc. (SEC EDGAR), Jul 15, 2026. https://www.sec.gov/Archives/edgar/data/320187/000032018726000088/nke-20260531.htm
2. S2: Costco: Form 10-K for fiscal year 2026 (ended Aug 30, 2026), Costco Wholesale Corporation (SEC EDGAR), Oct 7, 2026. https://www.sec.gov/Archives/edgar/data/909832/000090983226000093/cost-20260830.htm
3. S3: Apple: Form 10-K for fiscal year 2026 (year ended Sep 26, 2026), Apple Inc. (SEC EDGAR), Nov 3, 2026. https://www.sec.gov/Archives/edgar/data/320193/000032019326000026/aapl-20260926.htm
4. S4: McDonald's: Form 10-K, fiscal year 2025 (ended Dec 31, 2025), McDonald's Corporation (SEC EDGAR), Feb 24, 2026. https://www.sec.gov/Archives/edgar/data/63908/000006390826000035/mcd-20251231.htm


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