1. Complete the classified Income Statement of Xavier Office Furniture Supplies for the year ending 30 June 2019. (14 marks)

**Xavier Office Furniture Supplies   
 Income Statement  
 For the year ending 30 June 2019**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **$** | **$** | **$** |  |
| Sales |  | 350,000 |  | 1 |
| Less: Discount allowed |  | 750 |  | 1 |
| Net Sales |  |  | 349,250 |  |
|  |  |  |  |  |
| Less Cost of sales | 125,000 |  |  | 1 |
| Cartage in | 2,500 | 127,500 |  | 1 |
| Less discount received |  | 950 |  | 1 |
| Total Cost of Sales |  |  | 126,550 |  |
| Gross profit |  |  | 222,700 | 1\* |
|  |  |  |  |  |
| Less other expenses |  |  |  |  |
| **Selling and distribution** |  |  |  |  |
| Bad debts | 750 |  |  | 1 |
| Advertising | 3,500 |  |  | 1 |
| Cartage out | 3,500 |  |  | 1 |
| Sales salaries | 50,000 | 57,750 |  | 1 |
| **General and adminstration** |  |  |  |  |
| Administration salaries | 50,900 |  |  | 1 |
| Electricity | 4,100 |  |  | 1 |
| Insurance | 4,500 | 59,500 |  | 1 |
| **Financial** |  |  |  |  |
| Interest |  | 2,000 | 119,250 | 1 |
| Profit for the period |  |  | 103,450 | \* |