

Solution:

There are too many shortcomings of this weird statement:

(1) Increase in Market Price???

- a. Long lived assets tend to depreciate and their price decreases as the time flies by.
- b. The income statement adds the market price valuation of land and buildings, which does not naturally add to the income. The market price is always subjected to changes, and this quantity is an ad hoc value at a time.

(2) No Broad Classification

- a. While the expenses look okay-Ish, they are arranged in a manner from where it is completely nonsensical.
- b. The dividends are, for example, not usually included in the income while it is deducted as an expense.

- (3) No easy way to read this, since there is no order of the items. Cost of cars sold should come first (as it is used in evaluation of gross profit) and other expenses should come later.