

Hock Guan
Income Statement
For The Year Ended 31 March Year 7

	Toys		Books		Total	
	RM	RM	RM	RM	RM	RM
Sales		85,000		65,000		150,000
Less: Sales Returns		(8,500)		(6,500)		(15,000)
Net Sales		<u>76,500</u>		<u>58,500</u>		<u>135,000</u>
<u>Less: Cost of Sales</u>						
Opening Inventory	5,800		3,700		9,500	
Purchases	34,800		25,200		60,000	
Transfer	3,000		(3,000)		-	
Less: Closing Inventory	(1,200)	(42,400)	(2,200)	(23,700)	(3,400)	(66,100)
Gross Profit		<u>34,100</u>		<u>34,800</u>		<u>68,900</u>
<u>Other Income</u>						
Commission Income		6,400		3,200		9,600
		<u>40,500</u>		<u>38,000</u>		<u>78,500</u>
<u>Less: Expenses</u>						
Rental Expenses (W1)	3,000		2,000		5,000	
Salaries (W2)	10,800		7,200		18,000	
Water and Electricity (W3)	900		600		1,500	
Carriage Outwards (W4)	1,800		1,200		3,000	
Repairs and Maintenance (W5)	4,500		3,000		7,500	
Bad Debts (W6)	480		320		800	
Discounts Allowed (W7)	660	(22,140)	440	(14,760)	1,100	(36,900)
Net Profit		<u><u>18,360</u></u>		<u><u>23,240</u></u>		<u><u>41,600</u></u>

Hock Guan
Statement of Financial Position
 As At 31 March Year 7

	RM	RM	RM
	Cost	Accumulated Depreciation	Carrying Amount
<u>Non-current Assets</u>			
Office Equipment	30,500	-	30,500
Furnitures and Fixtures	40,000	-	40,000
	<u>70,500</u>	<u>-</u>	<u>70,500</u>
<u>Current Assets</u>			
Inventories: Toys	1,200		
Books	<u>2,200</u>	3,400	
Accounts Receivable		23,100	
Bank		13,170	
Cash		6,430	46,100
Total Assets			<u>116,600</u>
<u>Current Liabilities</u>			
Accounts Payable		13,500	
Accrued Rental		<u>1,500</u>	
Total Liabilities			<u>(15,000)</u>
Net Assets			<u><u>101,600</u></u>
<u>Owner's Equity</u>			
Opening Capital			60,000
Add: Net Profit			<u>41,600</u>
Total Equities			<u><u>101,600</u></u>

Workings:

	Total	Toys		Books	
	RM	RM	RM	RM	RM
(1) Rental Expenses					
RM(3,500 + 1,500) =	5,000	5,000 x 3/5 =	3,000	5,000 x 2/5 =	2,000
(2) Salaries	18,000	18,000 x 3/5 =	10,800	18,000 x 2/5 =	7,200
(3) Water and Electricity	1,500	1,500 x 3/5 =	900	1,500 x 2/5 =	600
(4) Carriage Outwards	3,000	3,000 x 3/5 =	1,800	3,000 x 2/5 =	1,200
(5) Repairs and Maintenance	7,500	7,500 x 3/5 =	4,500	7,500 x 2/5 =	3,000
(6) Bad Debts	800	800 x 3/5 =	480	800 x 2/5 =	320
(7) Discounts Allowed	1,100	1,100 x 3/5 =	660	1,100 x 2/5 =	440