



**MS. BOOKWORM**

# **FINANCIAL PERFORMANCE REPORT**

A report for March by  
**DAIRBEK, OLZHAS, ABILMANSUR**

# **Agenda**

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# Ms. Bookworm's business



- Ms. Bookworm opened a bookstore, stocked books, and launched an online store.
- She hired an assistant, secured a loan, and managed sales.
- Despite fulfilling orders and handling finances, the business faced an income loss.
- By March's end, payroll, supplier payments, and expenses were settled.

# Transactions

**Case study #6**

Sole trader: Ms. Bookworm

Bookstore case study: Ms. Bookworm				
No	Date	Transaction	Document 1	Document 2
1	01.03.2023	Ms. Bookworm established the sole trading by investing capital into the business, which is engaged in the resale of books.	Bank statement #1	
2	01.03.2023	Ms. Bookworm rented a small bookstore in Bronte City and paid the full amount for one month.	Bank statement #1	Invoice #1
3	01.03.2023	Ms. Bookworm purchased a computer and cash register from the Great Gatsby Ltd. (paid by immediate bank transfer).	Bank statement #1	Purchase Order #1, Invoice #2 and Delivery Note #1
4	01.03.2023	Ms. Bookworm purchased the bookshelves from Jane Austen Ltd., who is a local distributor. It was delivered to the bookstore later that day, after Ms. Bookworm paid the outstanding amount.	Bank statement #1	Purchase Order #2, Invoice #3 and Delivery Note #2
5	02.03.2023	Ms. Bookworm contracted with an IT specialist (Sherlock Holmes), who is going to create a website for the business, therefore she will be able to sell books also online.	Contract with Sherlock Holmes	
6	04.03.2023	Ms. Bookworm hired a part-time employee (Ms. Hermione Granger) as her assistant to the bookstore. The agreed gross salary is USD 1000/month.	Employment Contract	
7	07.03.2023	Ms. Bookworm wants a small café in the bookshop where customers can read in peace, so she ordered a coffee machine, tables, and chairs.	E-mail #1	Purchase Order #3
8	08.03.2023	Ms. Bookworm asked Ms. Hermione Granger to draw up a list of books to order.	E-mail #2	
9	09.03.2023	The coffee machine, table and chairs were delivered to Ms. Bookworm with the invoice enclosed.	Invoice #4	Delivery Note #3
10	09.03.2023	Ms. Bookworm received a bank loan from the Gringotts Bank.	Bank Loan Agreement	Bank statement #1
11	10.03.2023	Ms. Hermione Granger sent the book list to Ms. Bookworm. Ms. Bookworm reviewed and she really liked it, therefore asked her assistant to carry out the purchase of the books.	E-mail #3	
12	11.03.2023	Ms. Hermione Granger ordered the books from two distributor: Agatha Christie Ltd. and Stephen King Ltd.	Purchase Order #4	Purchase Order #5
13	13.03.2023	The ordered books were delivered to Ms. Bookworm from Agatha Christie Ltd. Ms. Hermione Granger checked the condition of the books and everything was fine. The invoice was enclosed.	Invoice #5	Delivery Note #4
14	14.03.2023	Sherlock Holmes prepared the website and issued an invoice.	Invoice #6	

Bookstore case study: Ms. Bookworm				
No	Date	Transaction	Document 1	Document 2
15	16.03.2023	The ordered books were delivered to Ms. Bookworm from Stephen King Ltd. The invoice was enclosed.	Invoice #7	Delivery Note #5
16	17.03.2023	Ms. Hermione Granger checked the condition of the books received from Stephen King Ltd. and some of them were damaged, therefore she returned them to the seller. The seller accepted the complaint and sent the document about the return.	Credit Note #1	E-mail #4
17	19.03.2023	The Lord of the Rings sent a purchase order to buy 100 books, which will be donated to children in an orphanage.	Purchase Order #6	
18	20.03.2023	Ms. Bookworm has paid their suppliers in full (Agatha Christie Ltd, Jane Austen Ltd, Sherlock Holmes Ltd and Stephen King Ltd).	Bank statement #1	
19	23.03.2023	Ms. Bookworm delivered the products to The Lord of the Rings based on their order and provided 10% discount.	Invoice #8	Delivery Note #6
20	31.03.2023	Payroll was calculated to Ms. Hermione Granger. The social security contribution is 25% based on the gross salary (employer contribution), and 30% deductible taxes and other contributions are applied from the gross salary. Half of Hermione's full time is spent as a sales agent and the other half on administrative tasks.	Payroll slip #1	
21	31.03.2023	The Lord of the Rings paid the invoice.	Bank statement #1	
22	31.03.2023	Stock-taking was done by Ms. Hermione Granger and Ms. Bookworm.	Inventory taking	
23	31.03.2023	The invoice of the utilities for March has arrived.	Invoice #9	
24	31.03.2023	The bank paid interest to Ms. Bookworm.	Bank statement #1	

# T-accounts

# T-accounts (normal version)

# Trial Balance

Trial Balance

Nº	T-Accounts	Dr	Cr
1	A/R	0	
2	Petty Cash	10000	
3	Website	1200	
4	Administrative expense	1000	
5	Selling expenses		
6	Inventory	660	
7	Personal Income Tax	200	
8	Capital		10000
9	Revenue		685
10	Loans payable		5000
11	SC Expense	350	
12	Purchases		
13	Bank	956	
14	Equipment	1400	
15	Input VAT	829	
16	Output VAT		135
18	COGS	493	
19	Discount Given		75
20	A/P		108
21	Utility bill	90	
22	Discount Expense		75
23	Salary Payable		700
24	Tax payable	200	
25	SC Payable		350
	Total	17253	17253

# Income Statement

	(In \$)
Sales( revenues)	685
COGS	493
Gross Profit	192
Operating expense	
Administrative expenses	1000
SC Expense	350
Personal Income Tax	200
Utility Bill	90
Discount Given	75
Total Operating Expense	1715
Operating Profit/Loss	-1323
Other income/expense	
Net Loss Before Tax	1523
Total Expenses	1715
Net Loss	1523

Interest income from the bank: (revenue)

Interest earned this period: \$10

# Statement of change in Equity

Statement of changes in equity	
Particulars	Amount (USD)
<b>Opening Capital</b>	<b>10000</b>
<b>Net Income Calculation:</b>	
- Revenue	685
- Less: Cost of Goods Sold (COGS)	-493
- Less: Utility bill	-90
- Less: Rental fee	-300
- Less: Administrative expense	-700
- Less: Personal income tax	-200
- Less: SC Expense	-350
<b>Net Income (Loss)</b>	<b>-2133</b>
<b>Closing Equity</b>	<b>8552</b>

# Balance Sheet

Ms Bookworm's business: Statement of financial position as at 31 March 2023 (in \$)			
Non-current assets	in \$	Current Liabilities	
Non-current tangible assets:			
Equipment:	1400	Accounts Payable	108
		Salary Payable	1250
		Output VAT	135
Computer set	400	<b>Total Current Liabilities</b>	<b>1493</b>
Cash register	300	Long-Term Liabilities	
Bookshelves	200		
Coffee machine	100	Loans Payable	5000
Coffee table and chairs	400	<b>Total Liabilities</b>	<b>6493</b>
Non-current intangible assets:			
Website	1200		
<b>Total non-current assets</b>	<b>2600</b>		
Current assets:		<b>Owner's Equity</b>	
Inventory	660	Capital	10000
Bank	956	<b>Retained Earnings</b>	-1448
Accounts Receivable	0		
Petty Cash	10000		
Input VAT	829		
<b>Total current assets</b>	<b>12445</b>		
<b>Total Assets</b>	<b>15045</b>	<b>Total Equity</b>	<b>8552</b>
		<b>Total Liabilities &amp; Equity</b>	<b>15045</b>

# The transaction invoice



## INVOICE

**Document number:** 5624/2023  
**Document date:** 23.03.2023

**Bill from:**  
Ms. Bookworm  
61 Haming Way  
1848 Bronte City  
Bookland  
675428-543

**Project/Job:**  
Book delivery

**Description:**  
According to the attached list

**Bill to:**  
The Lord of the Rings Ltd.  
46 Hobbit Square  
1848 Bronte City  
Bookland  
11117777-543

**Delivery date:**  
23.03.2023

**Payment due date:**  
30.03.2023

Item	Quantity	Quantity unit	Unit price	Total:
Hardcover books	50	pcs	\$8	\$400
Softcover books	50	pcs	\$7	\$350
Discount%				-\$75
<b>Subtotal:</b>				<b>\$675</b>
VAT:	20% of Subtotal			\$135
<b>Total:</b>				<b>\$810</b>

**Payment method:**  
Via bank transfer only

**Thank you for doing business with us!**

# The impact of one transaction on SFP

19	23.03.2023	Ms. Bookworm delivered the products to The Lord of the Rings based on their order and provided 10% discount.	Invoice #8	Delivery Note #6
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A/R	
Dr	Cr
400	75
350	
135	

**Current assets**  
Receivables increased by \$810

Revenue	
Dr	Cr
	400
75	
	350

**Equity**  
Revenue increased by \$675

Output VAT	
Dr	Cr
	135

**Liability**  
(Output VAT) increased by \$135

# The impact of one transaction on Changes in equity statement

19	23.03.2023	Ms. Bookworm delivered the products to The Lord of the Rings based on their order and provided 10% discount.	Invoice #8	Delivery Note #6
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Statement of changes in equity	
Particulars	Amount (USD)
Opening Capital	10000
Net Income Calculation:	
- Revenue	685



# The impact of one transaction on Income statement

19	23.03.2023	Ms. Bookworm delivered the products to The Lord of the Rings based on their order and provided 10% discount.	Invoice #8	Delivery Note #6
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	(In \$)
Sales( revenues)	685

COGS	493
Gross Profit	192

Revenue increased by \$675

# Summary

Ms. Bookworm's bookstore initially faced **losses**, which is normal for new businesses. With a growing customer base and expanded services like a café and online sales, it's on track for **future success**.

# Questions Answers

