

ABC Ltd  
Income Statement For the year ended 31 Dec, 2008

Sales (Turnover)	xxxxxx	
Less: sales returns	(xxxx)	xxxxxxx
<b><u>COST of SALES:</u></b>		
Opening Inventory (Stock)	xxxx	
+ Purchases	xxxx	
+ Carriage inwards	xxxx	
- purchases returns	(xxxx)	
- closing Inventory (Stock)	(xxxx)	(xxxx)
<b>GROSS PROFIT</b>		xxxxxxx
<b><u>Add: Other Incomes</u></b>		
Discount received	xxx	
Interest received	xxx	
Commission received	xxx	
Reduction in provision for doubtful debts	xxx	xxxx
<b><u>Less : Admin Expenses</u></b>		
Director's salaries	xxx	
Bad debts	xxx	
Increase in provision for doubtful debts	xxx	
Depreciation on premises	xxx	(xxxx)
<b><u>Less : Selling / Distribution Expenses</u></b>		
Salesperson's commission	xxx	
Advertising	xxx	
Delivery van expenses	xxx	(xxxx)
<b>OPERATING PROFIT</b>		xxxxxxx
<b><u>Less : Financial charges</u></b>		
Bank interest, debenture interest etc		(xxx)
Net Profit before Tax		xxxxxx
Less; taxation due		(xxxx)
Net Profit after Tax		xxxxxx
Transfer to General Reserve	xxxx	
<b><u>Dividends</u></b>		
Interim dividends	xxxx	
Final dividends	xxxx	(xxxx)
Add: retained profits b/f		xxxx
Retained profits c/f		xxxxxx

## ABC Ltd

## Statement of Financial Position as at 31 Dec, 2008

<b><u>Non-Current Assets (Fixed Assets):</u></b>	Cost	Depn	NBV	\$
Premises	xxx	(xx)	xxx	
Plant, Machinery, Equipment	xxx	(xx)	xxx	
Fixtures	xxx	(xx)	xxx	
			xxx	xxx
<b><u>Current Assets:</u></b>				
Inventory (Stock)		xxx		
Accounts Receivables (Debtors)	xxx			
Less; provision for doubtful	(xx)	xxx		
Prepaid		xxx		
Bank		xxx		
Cash		xxx	xxx	
<b><u>Creditors: due within 1 year</u></b>				
Creditors		xxx		
Accruals		xxx		
Dividends proposed		xxx		
Taxation due		xxx	(xxx)	
Working capital				xxx
<b><u>Creditors: due after 1 year</u></b>				
10 % debentures (loan)				(xxxxxx)
<b>NET ASSETS</b>				<b>xxxxxxx</b>
<b><u>Share capital and Reserves</u></b>				
Authorized share capital				
500,000 ordinary shares @ \$ 1 each				500,000
200,000 6 % preference shares @ \$ 1 each				200,000
				700,000
Issued share capital				
300,000 ordinary shares @ \$ 1 each				300,000
100,000 6 % preference shares @ \$ 1 each				100,000
Reserves				
Share premium a/c				xxxxx
Revaluation reserve				xxxxx
General reserve				Xxxxx
Profit & loss a/c				xxxxx
<b>SHAREHOLDER'S FUNDS</b>				<b>xxxxxxx</b>