**EXEMPLAR FINANCIAL STATEMENTS**

**Income Statement**

**Service Entity**

**(*Business Name)***

**Income Statement**

**for the year ended 31 March 2…**

|  |  |  |  |
| --- | --- | --- | --- |
|  | $ | $ | $ |
| **Revenue** |  |  |  |
| State primary source of income (1) |  |  | xxx |
| **Add Other income** |  |  |  |
| (list) (2) |  | x | xxx |
|  |  |  | xxx |
| **Less Expenses** |  |  |  |
| ***Group One* expenses** (3) |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Administrative expenses** |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Finance costs** |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Total expenses** |  |  | xxx |
| **Profit (loss) for the year** |  |  | $ xx |

**Trading Entity**

**(*Business Name)***

**Income Statement**

**for the year ended 31 March 2…**

|  |  |  |  |
| --- | --- | --- | --- |
|  | $ | $ | $ |
| **Revenue** |  |  |  |
| Sales |  |  | xxx |
| Less Sales Returns |  |  | (xx) |
| Net Sales |  |  | xxx |
| **Less Cost of Goods Sold** |  |  |  |
| Opening Inventory |  | xx |  |
| Plus Purchases | xx |  |  |
| Less Purchase Returns | (xx) | xx |  |
| Plus Freight Inwards |  | x |  |
| Customs Duty |  | x |  |
| Goods available for sale |  | xx |  |
| Less Closing Inventory |  | (xx) |  |
| **Cost of goods sold** |  |  | xx |
| **Gross Profit** |  |  | xx |
| **Add Other Income** |  |  |  |
| (list) |  | x |  |
|  |  | x | x |
|  |  |  | xxx |
| **Less Expenses** |  |  |  |
| **Distribution costs** |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Administrative expenses** |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Finance costs** |  |  |  |
| (list) | x |  |  |
|  | xx | xx |  |
| **Total expenses** |  |  | xxx |
| **Profit (loss) for the year** |  |  | $ xx |

**Additional information clarifying the Income Statement for a trading entity**

**Income**

|  |  |
| --- | --- |
| Revenue | Sales . |
| Other Income | All other revenues/income and gains  **Examples** (but not limited to): interest received, dividends received, rent received, commission received |

**Expense classifications**

|  |  |
| --- | --- |
| Distribution Costs: | Distribution costs are expenses incurred in transferring ownership of finished goods to the consumer. Those expenses incurred through the promotion, storage, selling and delivery of the inventory for sale.  **Examples** (not limited to): Advertising, Sales Salaries/Wages, Vehicle Expenses, Shop Electricity, Shop Rent, Delivery Expenses, Depreciation on Shop Fittings/Vehicles |
|  |  |
| Administrative Expenses: | Administrative expenses are costs associated with the administration of the entity as a whole.  **Examples** (not limited to): Office Salaries/Wages, Rent, Insurance, Depreciation on Office Equipment/Buildings, Telephone, Accountancy Fees |
|  |  |
| Finance Costs: | Finance costs arise from an entity financing its operations from external sources. Finance Costs are limited to different types of interest paid.  **Examples**: Interest on Overdraft, Interest on Loan, Interest on Mortgage. |

**(*Business Name)***

**Statement of Financial Position**

**as at 31 March 2…**

|  |  |  |  |
| --- | --- | --- | --- |
|  | $ | $ | $ |
| **Current assets** |  |  |  |
| (list) |  | xx |  |
|  |  | xx | xx |
| **Non-current assets** |  |  |  |
| **Investment** |  |  |  |
| (list) |  | xx |  |
| **Property, plant and equipment** (Note 1) |  | 111 200 |  |
| **Intangible asset** |  |  |  |
| Goodwill |  | xx | xx |
| **Total assets** |  |  | xx |
| **Less Liabilities** |  |  |  |
| **Current liabilities** |  |  |  |
| (list) | xx |  |  |
|  | xx | xx |  |
| **Non-current liabilities** |  |  |  |
| (list) | xx |  |  |
|  | xx | xx |  |
| **Total liabilities** |  |  | xx |
| **Net assets** |  |  | $ xx |
|  |  |  |  |
| **Equity** |  |  |  |
| Opening capital |  |  | xx |
| Plus Profit (loss) for the year |  |  | xx |
| Less Drawings |  |  | (xx) |
| Closing capital |  |  | $ xx |

**Note to the Statement of Financial Position**

**1. Property, plant and equipment**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Land** | **Equipment** | **Vehicles** | **Total** |
|  | **$** | **$** | **$** | **$** |
| Cost | 80 000 | 24 000 | 16 000 | 120 000 |
| Accumulated Depreciation | 0 | 7 200 | 1 600 | 8 800 |
| Carrying Amount | 80 000 | 16 800 | 14 400 | **111 200** |

Depreciation is calculated on a straight-line basis at the following rates

Equipment 10% pa

Vehicles 20% pa