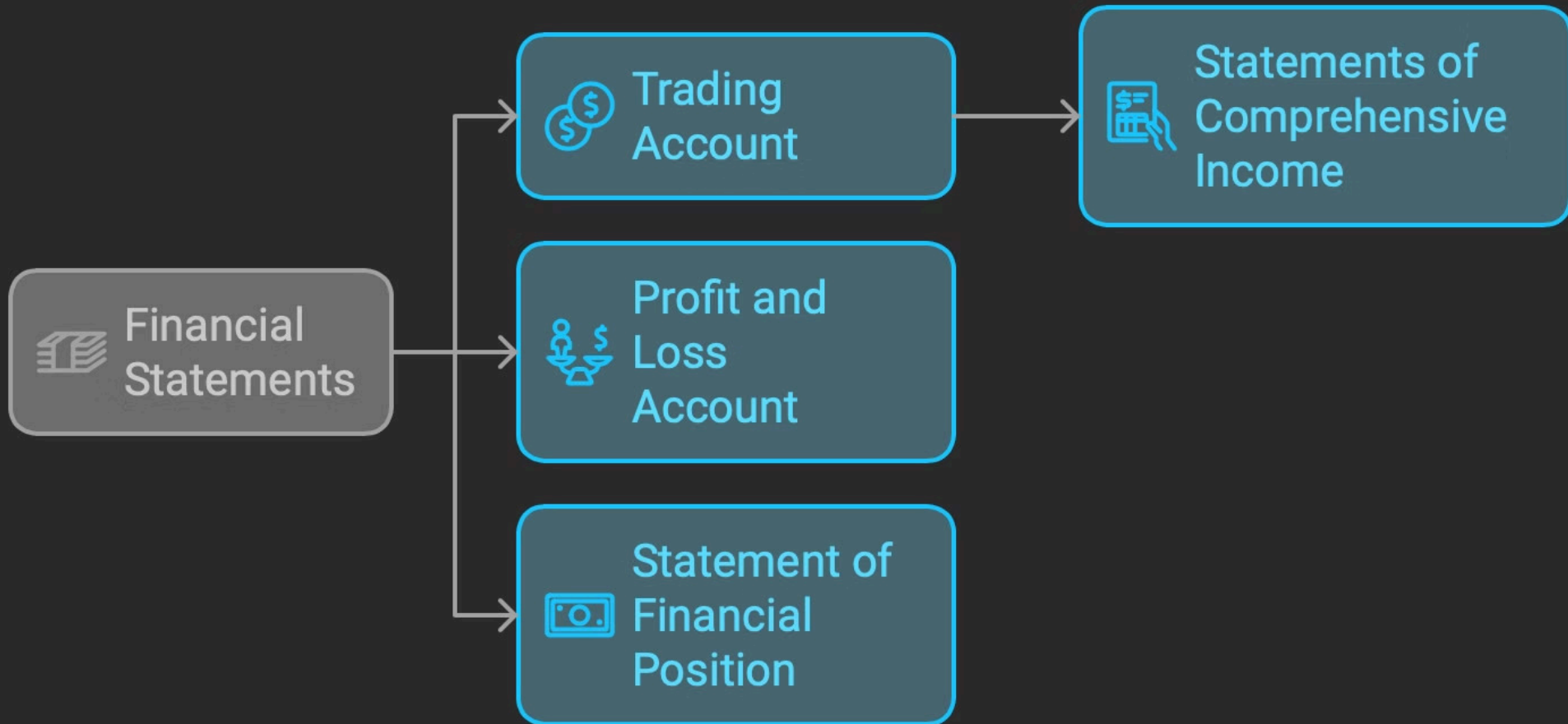


Statement of Comprehensive Income (SOCI)

A report that summarizes all changes in equity for a period other than those resulting from investments by and distributions to owners.



Main Components of Financial Statement



Trading Account Format

A trading account is prepared to calculate the gross profit or gross loss of the business

a) $\text{Gross Profit/loss} = \text{Net Sales} - \text{Cost of Sales}$

b) $\text{Cost of Sales} = \text{Cost of goods for sale} - \text{Closing Inventory}$

c) $\text{Cost of Good available for sale} = \text{Purchase cost} + \text{Opening inventory}$

d) $\text{Purchase Costs} = \text{Net Purchase} + \text{Purchase expenses}$

e) $\text{Net Purchase} = \text{Purchase} - \text{Purchase returns}$

f) $\text{Net Sales} = \text{Sales} - \text{Sales Return}$

Trading Account Format

Trading Account For the Year Ended 31 -----				
Sales			XX	
(-) Sales return			<u>(xx)</u>	
NET SALES				XXX
<u>Less : Cost of Goods Sold</u>				
Opening Inventory			XX	
Purchase		XX		
(-) Purchase return		<u>(xx)</u>		
			XX	
Packaging	X			
Import duties	X			
Insurance on purchase	X			
Carriage inwards	<u>X</u>		<u>XXX</u>	
Cost of goods available for sale			XXX	
(-) Closing Inventory			<u>(xx)</u>	
Cost of Sales				<u>(XX)</u>
Gross Profit / (Loss)				<u>XX / (XX)</u>

Profit and Loss Accounts Overview

1

Calculates

Net profit or net loss

2

Summarizes

All revenues and expenses

3

Evaluates

Financial performance over a period

4

Provides

Insights into profitability



Profit and Loss Account Format

Financial Performance

The profit and loss account, also called the income statement, presents the financial performance of a business over a specified period.

Calculation

**NET PROFIT/LOSS = GROSS PROFIT + REVENUE -
EXPENSES**

What is Statement of Comprehensive Income?

Financial Performance

Summarizes the company's financial performance over a period.

Profit/Loss

Difference between revenue and expenses.

Comprehensive Income

Includes all changes in equity other than owner contributions and distributions.

$$(\text{Sales} + \text{Other revenue}) - (\text{Cost of Sales} + \text{Other Expenses}) = \text{Profit/Loss}$$

Main Components of Statements of Comprehensive Income

■ Revenues

■ Expenses





REVENUES

Income earned from ordinary business activities through selling goods or providing services.

Examples: commission, interest, rent

Statement of Comprehensive Income (Trading Account + Profit & Loss Account)

	RM	RM	RM
Gross Profit			XXX
(+) Revenues			
Dis received	X		
Interest Received	X		
Commission Received	X		
Rent Received	<u>X</u>		<u>XXX</u>
			XXX
(-) Operating Expenses		X	
Rent		X	
Wages		X	
Carriage Outward		X	
Assessment rate		X	
General Expenses		X	
Advertising		X	
Insurance		X	
Interest on overdraft		x	
Transportation		<u>x</u>	<u>(XXX)</u>
Net Profit / (Loss)			XXX

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED			
Sales		XX	
(-) Sales return		<u>(xx)</u>	
NET SALES			XXX
<u>Less : Cost of Goods Sold</u>			
Opening Inventory		XX	
Purchase	XX		
(-) Purchase return	<u>(xx)</u>		
		XX	
Packaging	X		
Import duties	X		
Insurance on purchase	X		
Carriage inwards	<u>X</u>	<u>XXX</u>	
Cost of goods available for sale		XXX	
(-) Closing Inventory		<u>(xx)</u>	
Cost of Sales			(XX)
Gross Profit / (Loss)			<u>XX / (XX)</u>

Statement of Comprehensive Income Overview



Financial Performance

The income statement is a financial statement that reports a company's financial performance over a specific period.



Profitability

It shows how profitable a company is by reporting its revenues and expenses.



Period Reporting

The income statement is prepared at the end of a period, usually a month, quarter, or year.

Thank You

