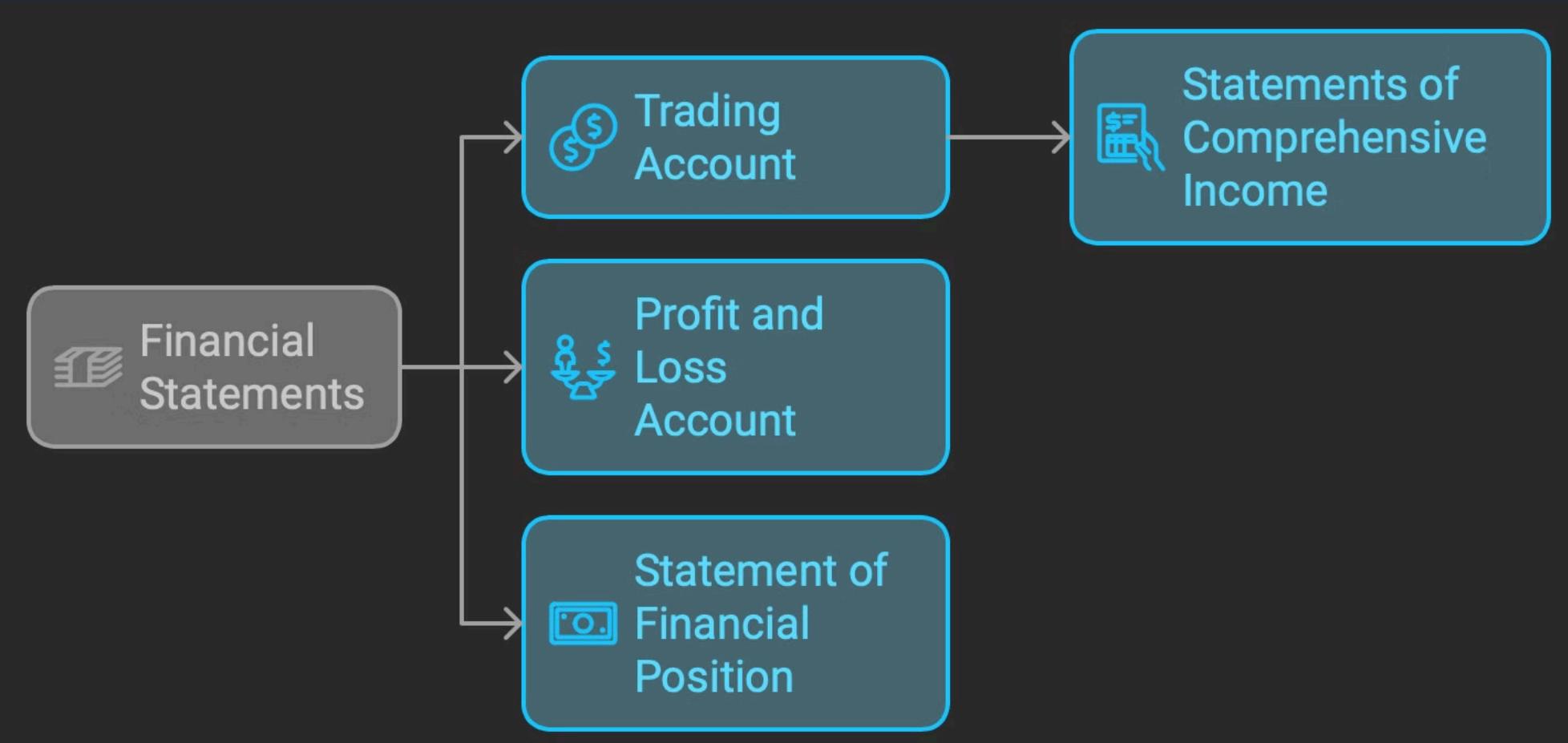


# Statement of Comprehensive Income (SOCI)

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

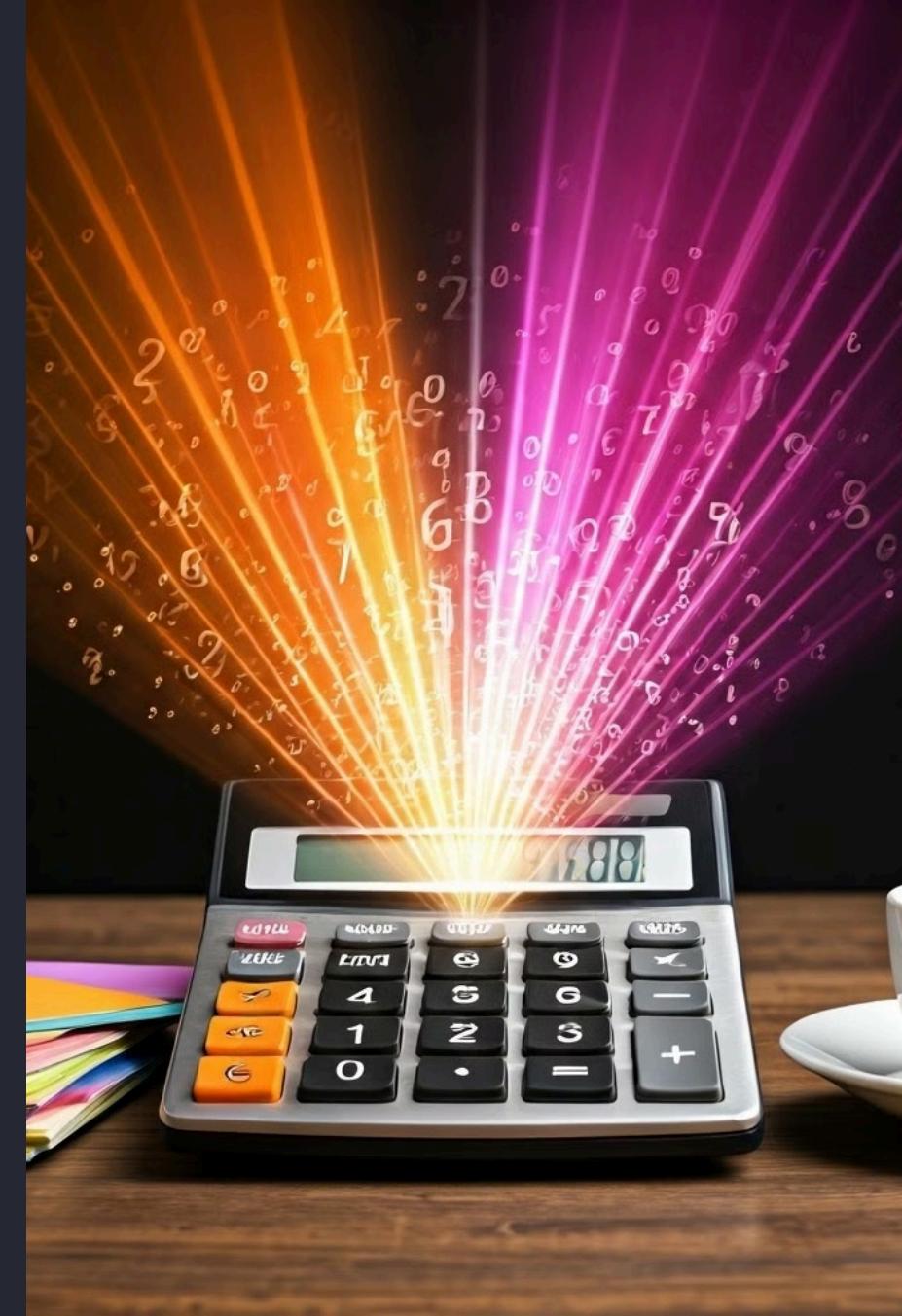
- a) Gross Profit/loss = Net Sales – Cost of Sales
- b) Cost of Sales = Cost of goods for sale – Closing Inventory
- c) Cost of Good available for sale = Purchase cost + Opening inventory
- d) Purchase Costs = Net Purchase + Purchase expenses
- e) Net Purchase = Purchase – Purchase returns
- f) Net Sales = Sales – 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> |             |             |
|   |             |             |             |
| Packaging                                   | X           |             |             |
| Import duties                               | X           |             |             |
| Insurance on purchase                       | X           |             |             |
| Carriage inwards                            | <u>X</u>    |             |             |
| Cost of goods available for sale            |             | XXX         |             |
| (-) Closing Inventory                       |             | <u>(xx)</u> |             |
| Cost of Sales                               |             |             | <u>(XX)</u> |
| Gross Profit / (Loss)                       |             |             | XX / (XX)   |

# 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.

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

# 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          | X  |    | <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         |    | X  | <u>(XXX)</u> |
| Net Profit / (Loss)    |    |    | XXX          |

| STATEMENT OF COMPREHENSIVE INCOME<br>FOR THE YEAR ENDED |  |             |                  |
|---|--|-------------|------------------|
| Sales   |  | XX          |                  |
| (-) Sales return  |  | <u>(xx)</u> |                  |
| NET SALES   |  |             | <b>XXX</b>       |
| <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  |  | X           | <b>XXX</b>       |
| Cost of goods available for sale                        |  |             | <b>XXX</b>       |
| (-) Closing Inventory                                   |  | <u>(xx)</u> |                  |
| Cost of Sales   |  |             | <b>(xx)</b>      |
| Gross Profit / (Loss)                                   |  |             | <b>XX / (XX)</b> |

# 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

