

The following trial balance was extracted from books AMBALI on 30 April, 2007. From it and the notes, prepare his income statement for the year ended 30 April, 2007, and the statement of financial Position as at that date.

PARTICULARS	DR	CR
Sales		18,600,000
Purchases	11,556,000	
Stock 1 May 2006	3,776,000	
Carriage inwards	234,000	
Carriage outwards	326,000	
Returns inward	440,000	
Returns outwards		355,000
Salaries and wages	2,447,000	
Motor expense	664,000	
Rents	456,000	
Rates	120,000	
Sundry expenses	1,202,000	
Motorvehicle	2,400,000	
Fixtures and Fittins	600,000	
Debtors	4,577,000	
Creditors		3,045,000
Cash at Bank	3,876,000	
Cash in hands	120,000	
Drawings	2,050,000	
Capital		12,844,000
TOTAL	34,844,000	34,844,000

NOTE: Stocks as at 30 April, 2007 was 4,998,000