Crescent Company				
Computation for Net Income or Loss (W-1)				
Retained Earning(End)				70,000
Add: Declaration of Cash Divid	dend			28,000
Sub Tot	al			98,000
Less: Retained Earning (Beg)				(40,000)
Net Inco	me	•		58,000
Computation for Cost o	f Furnit	ure Purc	hased (W-2)
Cost of Furniture-Beg				37,000
Less: Cost of Furniture Discarded			(15,000)	
Sub Total			22,000	
Compare: Cost of Furniture-End			47,000	
Cost of Furniture Purchased			25,000	
Computation for Depreciation Expense (W-3)				
Allowance for Depreciation-Furniture(Beg)			30,000	
Less: Allowance for Depreciation-Furniture Discarded			(15,000)	
Sub Total			15,000	
Compare: Allowance for Depreciation-Furniture(End)			20,000	
Depreciation Expense			5,000	

Crescent Company Cash Flow Statement					
For the Period Ended June	e 30, 2016	5			
Cash Flow from Operating Activitie	Cash Flow from Operating Activities:				
Net Income (W-1)		58,000			
Add: Depreciation Expense-Furniture	e(W-3)	5,000			
Add: Depreciation Expense-Building		13,000			
Less: Increase in Accounts Receivable	9	(16,600)			
Less: Increase in Inventory		(40,400)			
Less: Decrease in Accounts Payable		(13,000)			
Cash Inflow from Operating Activit	6,000				
Cash Flow from Investing Activities					
Addition in Building					
Purchase of Furniture (W-2) (25,000)					
Cash Outflow from Investing Activi	(99,000)				
Cash Flow from Financing Activitie					
Issuance of Shares (80,000 - 8,000) 72,000					
Payment of Cash Dividend (28,000)					
Cash Inflow from Financing Activit	44,000				
Decrease in Cash		(49,000)			
Add: Beginning Cash	56,800				
Ending Cash	7,800				

Computation for Net Income or Loss (W-1)Retained Earnings-EndI72,000Add; Declaration of Cash Dividend25,000Declaration of Stock Dividend112,000Compare: Retained Earnings-BegI809,000)Compare: Retained Earnings-BegI23,000Net Income23,00023,000Computation for Gain or Loss on Sale of Machine40,000Less; Allowance for DepreciationI40,000Compare: Selling PriceI14,000Compare: Selling PriceI180,000Gain on Sale of Machinery Purchased (W-3)180,000Computation for Cost of Machinery-BegI180,000Compare: Cost of Machinery-EndI200,000Cost of Machinery-BegI180,000Cost of Machinery-BegI180,000Cost of Machinery-EndI200,000Cost of Machinery-EndI140,000Cost of Machinery-EndI180,000Cost of Land SoldI<			Faroo	qui Ltd		
Add; Declaration of Cash Dividend 25,000 Declaration of Stock Dividend 115,000 Sub Total 112,000 Compare: Retained Earnings-Beg (89,000) Net Income 23,000 Computation for Gain or Loss on Sale of Machine (W-2) Cost of Machine 40,000 Less; Allowance for Depreciation (26,000) Book Value 14,000 Compare: Selling Price 10 18,000 Gain on Sale of Machine 4,000 Compare: Selling Price 14,000 Computation for Cost of Machinery Purchased (W-3) Cost of Machinery-Beg 180,000 Less: Cost of Machinery Sold (40,000) Less: Cost of Machinery-End 200,000 Compare: Cost of Machinery-Purchased (W-3) Computation for Depreciation Expense (W-4) Allowance for Depreciation-Machinery Sold (26,000) Sub Total 140,000 Compare: Allowance for Depreciation-End 60,000 Compare: Allowance for Depreciation For Gain on Sale of Land (W-5) Cost of Land Sold 60 000 Compare: Selling Price 60 000 000 Compare: Selling Price 60 000 000 000 000 000 000 000 000 000	Co	mputation	for Net	Income	or Loss	(W-1)
Declaration of Stock Dividend 15,000 Sub Total 112,000 Compare: Retained Earnings-Beg (89,000) Net Income 23,000 Computation for Gain or Loss on Sale of Machine (W-2) (26,000) Cost of Machine (26,000) Book Value 14,000 Compare: Selling Price 18,000 Gain on Sale of Machine 4,000 Cost of Machinery-Beg 180,000 Computation for Cost of Machinery Purchased (W-3) 140,000 Compare: Cost of Machinery-End 200,000 Cost of Machinery-Purchased 60,000 Computation for Depreciation Expense (W-4) Allowance for Depreciation-Machinery Sold 266,000) Sub Total 18,000 Computation for Cost of Machinery Sold 60,000 Cost of Machinery-Purchased 60,000 Cost of Depreciation-Machinery Sold 266,000) Sub Total 18,000 Compare: Allowance for D	Retained Earning	gs-End				72,000
Sub Total 112,000 Compare: Retained Earnings-Beg (89,000) Net Income 23,000 Computation for Gain or Loss on Sale of Machine (W-2) 40,000 Cost of Machine 40,000 Less; Allowance for Depreciation (26,000) Book Value 14,000 Computation for Cost of Machinery Purchased (W-3) 180,000 Computation for Cost of Machinery Purchased (W-3) 180,000 Cost of Machinery-Beg 180,000 Less: Cost of Machinery Sold (40,000) Sub Total 140,000 Computation for Cost of Machinery Purchased 60,000 Compare: Cost of Machinery-End 200,000 Cost of Machinery-End 200,000 Cost of Machinery Purchased 60,000 Cost of Machinery Purchased 60,000 Cost of Machinery Purchased 60,000 Cost of Depreciation-Machinery (Beg) 44,000 Less: Allowance for Depreciation-Machinery Sold (26,000) Sub Total 18,000 Computation for Gain on Sale of Land 60,000 Depreciation Expense 42,000 Less: Allowance for Depreciation-End <td< td=""><td>Add; Declaration</td><td>of Cash Div</td><td>vidend</td><td></td><td></td><td>25,000</td></td<>	Add; Declaration	of Cash Div	vidend			25,000
Compare:Retained Earnings-Beg(89,000)Net Income23,000Computation for Gain or Loss on Sale of Machine40,000Cost of Machine6000Less; Allowance for Depreciation(26,000)Book Value14,000Compare:Selling PriceGain on Sale of Machinery14,000Computation for Cost of Machinery Purchased (W-3)180,000Cost of Machinery-Beg180,000Less:Cost of Machinery Sold(40,000)Cost of Machinery-Beg140,000Compare:Sub Total140,000Compare:Sub Total140,000Less:Allowance for Depreciation-Machinery Sold(26,000)Less:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total18,000Compare:Sub Total<	Declaration	n of Stock D	ividend			15,000
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Computation for Gain or Loss on Sale of Machine (W-2) Cost of Machine 40,000 Less; Allowance for Depreciation (26,000) Book Value 14,000 Compare: Selling Price 18,000 Gain on Sale of Machine 4,000 Computation for Cost of Machinery Purchased (W-3) 180,000 Cost of Machinery-Beg 180,000 Less: Cost of Machinery Sold (40,000) Sub Total 140,000 Compare: Cost of Machinery-End 200,000 Cost of Machinery Purchased 60,000 Cost of Machinery Purchased 60,000 Computation for Depreciation Expense (W-4) Allowance for Depreciation-Machinery Sold (26,000) Less: Allowance for Depreciation-Machinery Sold (26,000) Compare: Allowance for Depreciation-End 60,000 Depreciation Expense 42,000 Compare: Allowance for Depreciation-End 60,000 Depreciation Expense 42,000 Computation for Gain on Sale of Land 20,000 Cost of Land Sold 20,000 Compare: Selling Price 40,000	Compare: Retain	ed Earnings	s-Beg			(89,000)
Cost of MachineImage: Cost of Machine		Net Inco	ome			23,000
Cost of MachineImage: Cost of Machine						
Less; Allowance for Depreciation Book Value(26,000) 14,000Compare: Selling Price14,000Gain on Sale of Machine4,000Gain on Sale of Machinery180,000Computation for Cost of Machinery Purchased (W-3)180,000Cost of Machinery-Beg180,000Less: Cost of Machinery Sold(40,000)Sub Total140,000Compare: Cost of Machinery-End200,000Cost of Machinery-End60,000Cost of Machinery-End60,000Cost of Machinery-End44,000Cost of Machinery-End44,000Cost of Machinery-End180,000Cost of Machinery-End140,000Cost of Machinery-End200,000Cost of Machinery-End44,000Cost of Machinery-End18,000Cost of Machinery-End44,000Cost of Machinery-End44,000Compare: Cost of Machinery-End44,000Cost of Depreciation-Machinery-(Beg)44,000Less: Allowance for Depreciation-Machinery-(Beg)44,000Compare: Allowance for Depreciation-End60,000Sub Total18,000Compare: Allowance for Depreciation-End42,000Cost of Land SoldImage: Allowance20,000Cost of Land SoldImage: Allowance20,000Compare:Selling PriceImage: Allowance40,000	Computa	tion for Ga	in or Lo	ss on Sa	ale of Ma	chine (W-2)
Book Value 14,000 Compare: Selling Price 18,000 Gain on Sale of Machine 4,000 Gain on Sale of Machinery Purchased (W-3) 180,000 Computation for Cost of Machinery Purchased (W-3) 180,000 Cost of Machinery-Beg 180,000 Less: Cost of Machinery Sold (40,000) Sub Total 140,000 Compare: Cost of Machinery-End 200,000 Cost of Machinery-End 200,000 Cost of Machinery-End 60,000 Cost of Machinery-End 200,000 Cost of Machinery-End 200,000 Cost of Machinery-End 200,000 Cost of Machinery-End 44,000 Less: Allowance for Depreciation-Machinery(Beg) 44,000 Less: Allowance for Depreciation-Machinery(Beg) 44,000 Less: Allowance for Depreciation-End 60,000 Sub Total 18,000 Compare: Allowance for Depreciation-End 60,000 Depreciation Expense 42,000 Cost of Land Sold 20,000 Cost of Land Sold 20,000	Cost of Machine					40,000
Compare: Selling PriceInterval<	Less; Allowance f	or Deprecia	tion			(26,000)
Gain on Sale of Machine 4,000 Computation for Cost of Machinery Purchased (W-3) 180,000 Cost of Machinery-Beg 180,000 Less: Cost of Machinery Sold (40,000) Sub Total 140,000 Computation for Depreciation For Depreciation For Depreciation-Machinery (Beg) 44,000 Computation for Depreciation-Machinery (Beg) 44,000 Less: Allowance for Depreciation-Machinery (Beg) 44,000 Compare: Allowance for Depreciation-End 60,000 Compare: Allowance for Depreciation Expense 42,000 Computation for Gain on Sale of Land Sold 200,000 Cost of Land Sold 40,000		Book Va	lue			14,000
Note: Sub Point of Cost of Machinery Purchased (W-3)Cost of Machinery-Beg180,000Less: Cost of Machinery Sold(40,000)Less: Cost of Machinery Sold(40,000)Compare: Cost of Machinery-End200,000Cost of Machinery-End200,000Cost of Machinery Purchased60,000Cost of Machinery Purchased60,000Cost of Machinery-End40,000Cost of Machinery-End44,000Cost of Machinery Purchased(26,000)Cost of Machinery Purchased(26,000)Computation for Depreciation-Machinery(Beg)44,000Less: Allowance for Depreciation-Machinery(Beg)44,000Less: Allowance for Depreciation-Machinery(Beg)44,000Compare: Allowance for Depreciation-End60,000Depreciation Expense42,000Cost of Land SoldACompare: Suling Price40,000	Compare: Selling	g Price				18,000
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Cost of Machinery-BegImage: Cost of Machinery SoldImage: Cost of Machinery SoldImage: Cost of Machinery SoldImage: Cost of Machinery EndImage: Cost of Machinery PurchasedImage: Cost of Land SoldImage: Cost of Land SoldImage: Cost of Machinery PurchasedImage: Cost of Land SoldImage: C						
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Sub Total140,000Compare: Cost of Machinery-End200,000Cost of Machinery Purchased60,000Computation for Depreciation Expense(W-4)Allowance for Depreciation-Machinery(Beg)44,000Less: Allowance for Depreciation-Machinery Sold(26,000)Sub Total18,000Compare: Allowance for Depreciation-End60,000Depreciation Expense42,000Computation for Cain on Sale of Land20,000Compare: Selling PriceIII	Cost of Machiner	y-Beg				180,000
Compare: Cost of Machinery-EndImage: Cost of Machinery Purchased200,000Cost of Machinery Purchased60,000Computation for Depreciation Expense(W-4)Allowance for Depreciation-Machinery (Beg)44,000Less: Allowance for Depreciation-Machinery Sold(26,000)Sub Total18,000Computation for Depreciation-Machinery Sold(26,000)Computation For Depreciation-Machinery Sold(26,000)Depreciation-Machinery Sold(26,000)Computation For Depreciation-Machinery Sold(26,000)Computation For Depreciation-Machinery Sold(26,000)Depreciation-Machinery Sold(26,000)Computation For Depreciation-Machinery Sold(20,000)Computation for Gain on Sale of Land (W-5)Cost of Land SoldImage: Computation for Gain on Sale of Land (W-5)Computation for Gain on Sale of Land (W-5)Computation FreeImage: Computation for Gain on Sale of Land (W-5)Computation FreeImage: Computation for Gain on Sale of Land (W-5)Computation FreeImage: Computation for Gain on Sale of Land (W-5)Computation for Gain on Sale of Land (W-5)Computation for Gain on Sale of Land (W-5)Computation for Gain on Sale of Land (W-5)Addition of Compare: Selling PriceImage: Computation for Computation for Gain on Sale of Land (M-5)	Less: Cost of Mac	chinery Sold				(40,000)
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Allowance for Depreciation-Machinery(Beg)44,000Less: Allowance for Depreciation-Machinery Sold(26,000)Sub Total18,000Compare: Allowance for Depreciation-End60,000Depreciation Expense42,000Depreciation for Gain on Sale of Land(W-5)Cost of Land SoldImage: Selling PriceCompare: Selling PriceImage: Selling Price						
Less: Allowance for Depreciation-Machinery Sold(26,000)Sub Total18,000Compare: Allowance for Depreciation-End60,000Depreciation Expense42,000Depreciation for Gain on Sale of Land(W-5)Cost of Land SoldImage: Selling PriceImage: Selling PriceCompare: Selling PriceImage: Selling PriceImage: Selling Price	Com	putation fo	or Depre	eciation	Expense	e (W-4)
Sub Total18,000Compare: Allowance for Depreciation-End18,000Depreciation Expense60,000Depreciation Expense42,000Computation for Gain on Sale of LandComputation for Gain on Sale of LandCost of Land SoldImage: Compare: Selling PriceImage: Selling Pri	Allowance for De	preciation-N	lachine	ry(Beg)		44,000
Compare: Allowance for Depreciation-End60,000Depreciation Expense42,000Computation for Gain on Sale of Land(W-5)Cost of Land SoldICompare:Selling PriceIIAllowance for Depreciation-ExpenseCompare:Selling Price	Less: Allowance f	for Deprecia	tion-Ma	chinery S	Sold	(26,000)
Depreciation Expense 42,000 Image: Computation for Gain on Sale of Land (W-5) Cost of Land Sold Image: Compare:Selling Price Image: Compare:Selling Price		Sub To	tal			18,000
Computation for Gain on Sale of Land Cost of Land Sold(W-5)Cost of Land SoldImage: Compare:Selling PriceImage: Compare:Selling Price	Compare: Allowa	nce for Dep	reciation	n-End		60,000
Cost of Land Sold20,000Compare:Selling Price40,000	D	epreciation	Expense	2		42,000
Cost of Land Sold20,000Compare:Selling Price40,000						
Compare:Selling Price 40,000	Con	nputation f	or Gain	on Sale	of Land	(W-5)
	Cost of Land Solo	1				20,000
Gain on Sale of Land 20.000	Compare:Selling	Price				40,000
	C	ain on Sale	of Land		-	20,000

Farooqui Ltd				
Statement of Cash Flows				
For the Period Ended Dec 31, 2016				
Cash Flow from Operating Activities:		03 000		
Net Income (W-1)		23,000		
Add: Depreciation Expense Add: Amortization of Goodwill		42,000		
		-		
Less: Gain on Sale of Machine (W-2)		(4,000) (20,000)		
Less: Gain on Sale of Land(W-5) Less: Decrease in Accounts Payable		(14,000)		
Add: Increase in Accrued Expenses		12,000		
Add: Decrease in Accounts Receivable		12,000		
Add: Decrease in Inventory		12,000		
Less: Increase in Prepaid Expense		(6,000)		
Cash Inflow from Operating	Activities	70,000		
Cash Flow from Investing Activities:	70,000			
Purchase of Machine (W-3)	(60,000)			
Sale of Machine	18,000			
Sale of Land	40,000			
Cash Outflow from Investing		(2,000)		
Cash Flow from Financing Activities:	(2,000)			
Redemption of Bonds	(70,000)			
Issuance of Shares (50,000 - 15,000)	35,000			
Payment of Cash Dividend (25,000)				
Cash Outflow from Financing	(60,000)			
Increase in Cash	8,000			
Add: Beginning Cash	10,000			
Ending Cash	18,000			

Farhan Company Computation for Net Income (W-1)				
Credit in Retained Earning				14,000
Add: Declaration of Cash Div		60,000		
Declaration of Stock Dividend			100,000	160,000
Sub Total			174,000	
Less: Disposal of Reserve				(50,000)
Net Income			124,000	

Farhan Company Statement of Cash Flo	ws	
For the Period Ended Dec 3	1,2016	
Cash Flows from Operation:		
Net Income (W-1)		124,000
Add: Depreciation Expense		47,000
Add: Decrease in Other Current Assets		19,000
Less; Decrease in Current Liabilities		(40,000)
Cash Inflow from Operations		
Cash Flow from Investing Activities:		
Purchase of Plant Asset	(120,000)	
Cash Outflow from Investing Activi	ties	(120,000)
Cash Flow from Financing Activities:		
Redemption of Debentures	(75,000)	
Issuance of Shares (200,000 + 20,000 - 100,000)	120,000	
Payment of Cash Dividend	(60,000)	
Cash Outflow from Financing Activities		
Increase in Cash		