

## **INCOMPLETE RECORDS/SINGLE ENTRY SYSTEM**

It is a system which is defined as any system which is not exactly the double entry system. It is developed by certain small business people.

### **Computation of Profit:**

#### **Net Profit:**

(Closing Capital + Drawings) – (Opening Capital + Additional Capital)

**Mark-up:** gross profit calculation as a percentage of cost price

$$\text{Mark-up} = \frac{\text{Profit}}{\text{Cost price}} \times 100$$

**Margin:** The calculation of Gross Profit as a percentage of Selling price.

$$\text{Margin} = \frac{\text{Profit}}{\text{Selling price}} \times 100$$

