

QUESTION
 The following information is taken from the financial statements of a company for the year ended 31 December 2018:
 Sales revenue: 1,000,000
 Cost of sales: 600,000
 Selling expenses: 100,000
 Administrative expenses: 150,000
 Finance charges: 50,000
 Income tax: 100,000
 Dividend received: 20,000
 Profit before tax: 100,000
 Profit after tax: 70,000
 Dividend paid: 10,000
 Retained profit: 60,000
 The company has 100,000 shares in issue.

REQUIRED

Account	Debit	Credit
Sales revenue		1,000,000
Cost of sales	600,000	
Selling expenses	100,000	
Administrative expenses	150,000	
Finance charges	50,000	
Income tax	100,000	
Dividend received		20,000
Profit before tax		100,000
Profit after tax		70,000
Dividend paid	10,000	
Retained profit		60,000
Total	1,000,000	1,000,000

ANSWERS

The following information is taken from the financial statements of a company for the year ended 31 December 2018:
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