

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 costs: 50,000
 Taxation: 100,000
 Dividends paid: 100,000
 Retained profits at the start of the year: 200,000
 Retained profits at the end of the year: 300,000
 The company has no other sources of financing.

REQUIRED

Account	Debit	Credit
Profit and Loss Account		
Sales revenue		1,000,000
Cost of sales	600,000	
Selling expenses	100,000	
Administrative expenses	150,000	
Finance costs	50,000	
Taxation	100,000	
Dividends paid	100,000	
Retained profits at the start of the year	200,000	
Retained profits at the end of the year		300,000
Total	1,200,000	1,200,000

ANSWERS

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 costs: 50,000
 Taxation: 100,000
 Dividends paid: 100,000
 Retained profits at the start of the year: 200,000
 Retained profits at the end of the year: 300,000
 The company has no other sources of financing.

REQUIRED