

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: 50,000
 Administrative expenses: 30,000
 Depreciation: 20,000
 Interest on bank borrowings: 10,000
 Dividend received: 5,000
 Profit before tax: 195,000
 Tax on profit: 40,000
 Profit after tax: 155,000
 Dividend paid: 10,000
 Retained profit: 145,000
 The company has a bank overdraft of 50,000 at the end of the year. The company's profit before tax is 195,000. The company's profit after tax is 155,000. The company's dividend paid is 10,000. The company's retained profit is 145,000.

REQUIRED

Particulars	2018	2017
Sales revenue	1,000,000	950,000
Cost of sales	600,000	550,000
Selling expenses	50,000	45,000
Administrative expenses	30,000	25,000
Depreciation	20,000	15,000
Interest on bank borrowings	10,000	8,000
Dividend received	5,000	3,000
Profit before tax	195,000	180,000
Tax on profit	40,000	35,000
Profit after tax	155,000	145,000
Dividend paid	10,000	8,000
Retained profit	145,000	137,000

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: 50,000
 Administrative expenses: 30,000
 Depreciation: 20,000
 Interest on bank borrowings: 10,000
 Dividend received: 5,000
 Profit before tax: 195,000
 Tax on profit: 40,000
 Profit after tax: 155,000
 Dividend paid: 10,000
 Retained profit: 145,000
 The company has a bank overdraft of 50,000 at the end of the year. The company's profit before tax is 195,000. The company's profit after tax is 155,000. The company's dividend paid is 10,000. The company's retained profit is 145,000.