

**QUESTION**  
 The following information is taken from the financial statements of a company for the year ended 31 December 2019.

Revenue	1,000,000
Cost of sales	(400,000)
Operating profit	600,000
Finance income	100,000
Finance expense	(50,000)
Profit before tax	650,000
Income tax expense	(150,000)
Profit for the year	500,000

The company has 1,000,000 shares in issue.

**REQUIRED**  
 Calculate the company's earnings per share for the year ended 31 December 2019.

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## ANSWERS

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**SOLUTION**  
 The company's earnings per share for the year ended 31 December 2019 is calculated as follows:

Profit for the year	500,000
Number of shares in issue	1,000,000
Earnings per share	50 pence