

**QUESTION:**  
The following information is available for the year ended 31/12/2018:  
Sales: 100,000  
Cost of Sales: 60,000  
Gross Profit: 40,000  
Operating Expenses: 20,000  
Operating Profit: 20,000  
Finance Costs: 5,000  
Tax: 3,000  
Net Profit: 12,000  
Required: Calculate the contribution margin ratio.

ANSWER: 40%