Parent sold to Subsidiary at margin of 10% (all sales are done at margin of 10%)

90 CU 5 CU
external sa internal sales

Sales recorded

99 5.5 104.5
external sa internal sales

Parent's records (initialentry):

Db	AR	99	5.5	**104.5**
Cr	Sales			**104.5**
Db	COGS	90	5	**95**
Cr	Stock			**95**

Parent's FS			Subsudiary's FS		Group's FS
AR		104.5	AP	5.5	AR
Stock		0	Stock	5.5	Stock
Sales	104.5				AP
COS	95				Sales
		9.5			COS

Parent's records (correcting entry):

Db	Sales	5.5
Cr	AR	5.5
Db	Stock	5
Cr	COGS	5

Parent's FS			Subsudiary's FS		Group's FS
AR		99	AP	0	AR
Stock		5	Stock	0	Stock
Sales	99				AP
COS	90				Sales
		9			COS

PUP	0.5

104.5
5.5
5.5
104.5
95

Mov-t in Group accounts:

99	AR	-5.5	Cr	Db
5	Stock	-0.5	Cr	Cr
0	AP	-5.5	Db	
99	Sales	-5.5	Db	Db
90	COS	-5	Cr	Cr
				Cr

AP	5.5				
AR	5.5				
Sales	5.5	=>	Db	PUP	0.5
COS	5				
Stock	0.5		Cr	Stock	0.5