

- 21** A business values inventory using the AVCO method. The following information is available.

August 1	inventory of 6 units at \$14.40 each
4	purchased 9 units at \$18.40 each
6	sold 5 units at \$20.20 each

What was the cost of the goods sold?

- A** \$72 **B** \$84 **C** \$92 **D** \$101
- 22** The labour costs of a company are based on hours worked plus a bonus scheme. The production workers all earn the same rate and bonus.

The daily rate is \$6 per hour for an 8-hour day, 5 days per week.

The bonus is based on the number of units produced above 2000 units in a week at a rate of \$2 per 100 units.

In one week each worker produces 2600 units. All workers work the full number of hours.

What will be the week's gross wage for **one** worker?

- A** \$240 **B** \$252 **C** \$292 **D** \$304
- 23** Actual production is less than forecast production.

Which cost is higher than forecast?

- A** fixed cost per unit
B total fixed cost
C total variable cost
D variable cost per unit