

**18** A business provides the following information.

	\$
revenue	600 000
raw materials purchased	400 000
trade payables	40 000
trade receivables	50 000

90% of revenue is from credit sales.

80% of purchases are on credit terms.

How long, to the nearest day, does the business take to pay suppliers who give it credit?

- A** 31 days      **B** 34 days      **C** 37 days      **D** 46 days

**19** A trader provides the following information for the year.

inventory 1 January	\$15 125
inventory 31 December	\$22 185
ordinary goods purchased	\$65 500
gross profit % on sales	25%

What is the value of sales for the year?

- A** \$73 050      **B** \$77 920      **C** \$90 700      **D** \$96 747

**20** A business provides the following information.

	\$
opening inventory	15 000
purchases	120 000
closing inventory	<u>(25 000)</u>
	<u>110 000</u>

What is the rate of inventory turnover?

- A** 4.4 times  
**B** 4.8 times  
**C** 5.5 times  
**D** 6.0 times