

19 The following has been extracted from the financial statements of a business.

income statement	\$	statement of financial position	\$
profit from operations	48 000	7% debenture	65 000
debenture interest	(4 550)	ordinary share capital	95 000
loss on disposal of non-current asset	(3 250)	share premium	7 500
profit for the year	40 200	retained earnings	35 000

What was the return on capital employed (ROCE)?

- A** 19.9% **B** 23.7% **C** 29.2% **D** 34.9%

20 What would affect the current ratio of a business?

- A** purchase of inventory by cash
- B** purchase of new machinery by cheque
- C** receipt of cash from a credit customer
- D** revaluation of a non-current asset

21 A restaurant has the following costs in a period.

- 1 wages of the kitchen staff
- 2 depreciation of kitchen equipment
- 3 costs of ingredients for meals
- 4 rent paid for the restaurant building

What are indirect costs for an individual meal?

- A** 1, 2, 3 and 4
- B** 1, 2 and 3 only
- C** 1 and 2 only
- D** 2 and 4 only