

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

	\$
ordinary share capital	50 000
retained earnings at the end of the year	11 000
8% debentures (2023–2025)	15 000
bank overdraft	8 000
profit from operations	17 700
profit for the year	16 500

What is the return on capital employed?

- A** 21.07%      **B** 21.71%      **C** 23.29%      **D** 27.05%

**21** A company's production team has four employees. Each employee is paid a basic rate of \$20 an hour.

The team also shares a bonus between them, based on their output. For any production in excess of 200 units, the team is paid a bonus of \$8 per unit. This bonus is shared equally.

Last week each member of the team worked 35 hours, and the team as a whole produced 250 units.

What was the pay of each member of the team last week?

- A** \$800      **B** \$945      **C** \$1050      **D** \$1200

**22** A business bought the following units of inventory in May.

date	quantity	unit cost
4 May	1000 units	\$12.00
20 May	1000 units	\$14.00
28 May	800 units	\$14.75

1200 units were sold on 22 May for \$20 each. The inventory's net realisable value at 31 May was \$24 per unit. There was no opening inventory.

What was the value of closing inventory using the AVCO method of valuing inventory?

- A** \$21 600      **B** \$21 773      **C** \$22 200      **D** \$38 400