

**19** On 1 January 2021, W Limited had total revenue reserves of \$122 000.

During the year ended 31 December 2021, the following took place.

- 1 A dividend of \$7500 was paid.
- 2 An amount of \$10 000 was transferred from retained earnings to general reserve.
- 3 Premises were revalued upwards by \$19 800.

For the year ended 31 December 2021, W Limited made a profit for the year of \$32 000.

What was the total of revenue reserves at 31 December 2021?

- A** \$136 500      **B** \$141 800      **C** \$146 500      **D** \$156 300

**20** What would increase the current ratio of a business?

- A** buying goods on credit for \$2000 and selling immediately for \$3000 cash  
**B** paying wages of \$1000 in cash  
**C** purchasing a non-current asset of \$10 000 on credit  
**D** selling goods of \$1000 at cost price on credit

**21** The following information is available for a business.

	\$
sales	36 000
purchases	21 000
inventory at 1 January 2021	3 500
inventory at 31 January 2021	2 800

What is the rate of inventory turnover for January?

- A** 6.67 times  
**B** 6.89 times  
**C** 7.75 times  
**D** 11.43 times

**22** Which statements about a semi-variable cost are correct?

- 1 Part of the amount always changes for any level of output.
- 2 Part of the amount changes for a given level of output.
- 3 The amount always changes for a given level of output.

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