

**21** The following information is available for the inventory of a business.

July 1	opening inventory 60 units at \$4.50 per unit
15	issued 40 units
23	purchased 120 units at \$5.20 per unit
29	issued 65 units

What is the value of the inventory on 31 July based on AVCO?

- A** \$337.50      **B** \$363.75      **C** \$382.50      **D** \$390.00

**22** A business manufactures a single product.

Which cost can be allocated to its production departments?

- A** administrative expenses  
**B** direct materials  
**C** factory light and heat  
**D** factory rent

**23** The budget data of N Limited is as follows.

production level	total costs
15 000 units	\$406 000
25 000 units	\$546 000

What is the budgeted fixed cost?

- A** \$196 000      **B** \$238 000      **C** \$336 000      **D** \$357 000

**24** A business pays its employees on a time rate basis at \$8 per hour. It also pays a weekly bonus of \$1.20 for every unit of production over 100 units, plus an additional \$0.80 for all production over 120 units.

Employees are guaranteed a minimum weekly wage of \$335.

An employee worked 37.5 hours last week and produced 129 units.

What was the employee's wage for that week?

- A** \$335.00      **B** \$342.00      **C** \$358.00      **D** \$365.20