

21 A company purchases its inventory on credit. The following information is available.

	\$
sales revenue	440 000
purchases	270 000
trade payables	90 000
trade receivables	110 000

What is the trade payables turnover in days?

- A** 75 **B** 92 **C** 122 **D** 149

22 A business has the following wages policy for its direct workers.

standard working hours per week	40
basic rate per hour	\$16
overtime	basic rate + 25%
standard production per worker per week	100 units
bonus	\$4 per unit in excess of standard production

Last week Ben produced 115 units and earned \$860.

How many hours did Ben work last week?

- A** 48 **B** 50 **C** 51 **D** 53.75

23 Which statements are correct about the first in first out (FIFO) method for inventory valuation?

- 1 issues to production are valued at the most recent purchase prices
- 2 issues to production are valued at the oldest purchase prices
- 3 provides a higher profit during periods of inflation
- 4 provides a lower profit during periods of inflation

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