

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

	\$
profit from operations	16 000
finance costs	4 000
ordinary share capital (\$1 shares)	50 000
non-current liabilities	4 000
retained earnings	20 000

What is the return on capital employed?

- A** 16.22%      **B** 17.14%      **C** 21.62%      **D** 22.86%

**20** The following financial information is available for a business. All purchases and sales are made on credit.

	\$
purchases	121 980
revenue	209 980
trade payables	45 448
trade receivables	28 765

What is the average collection period?

- A** 50 days      **B** 79 days      **C** 86 days      **D** 136 days

**21** How are stepped costs best described?

- A** costs that are always variable  
**B** costs that have both a fixed and variable element  
**C** fixed costs that are always the same amount at any level of output  
**D** fixed costs which increase in total once a certain level of output is reached