

**23** A production worker is paid \$15 per hour for working 8 hours a day.

Overtime is paid at the rate of time and a fifth (basic pay plus 20%).

A productivity bonus is also paid at the rate of \$21 per unit for each unit produced in excess of 12 units per day.

Last Friday, the production worker worked 12 hours and assembled 14 units.

How much did he earn on Friday?

- A** \$144                      **B** \$162                      **C** \$192                      **D** \$234

**24** A retailer made the following purchases of inventory in October.

purchase	quantity (units)	unit price \$	total cost \$
5 Oct	50	500	25 000
12 Oct	50	500	25 000
23 Oct	150	525	<u>78 750</u>
			<u>128 750</u>

There was no opening inventory for October.

The business uses the first-in first-out (FIFO) method to value its inventory.

In October, 200 units were sold for \$900 each.

What was the gross profit for October?

- A** \$76 667                      **B** \$77 000                      **C** \$77 500                      **D** \$96 250

**25** A company has two departments in its factory. The details are shown.

department	budgeted fixed overheads \$	budgeted hours
machining	180 000	6 000
assembly	<u>90 000</u>	<u>10 000</u>
total	270 000	16 000

What is the fixed overhead absorption rate per hour in the machining department?

- A** \$11.25                      **B** \$16.875                      **C** \$30                      **D** \$45