

3 Stapleton provided the following information for the year ended 30 April 2016:

	\$
Opening inventory	25 200
Gross profit	37 150

Additional information

- 1 All goods were sold to achieve a 20% gross margin.
- 2 Cash sales were \$18 575. All other sales were on a credit basis.
- 3 All purchases were on a credit basis.
- 4 Trade receivables at 30 April 2016 were \$16 500.
- 5 Trade payables at 30 April 2016 were \$9500.
- 6 Inventory turnover was 5 times per annum.

REQUIRED

(a) Calculate the trade receivables turnover (days). State the formula used.

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Calculation

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(b) Calculate closing inventory.

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(c) Calculate the trade payables turnover (days). State the formula used.

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Calculation

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(d) State **three** uses of ratio analysis to a trader.

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