

**19** The following information is available for the year ended 31 December 2018.

|                         | \$        |
|-------------------------|-----------|
| revenue                 | 800 000   |
| cost of sales           | (175 000) |
| gross profit            | 625 000   |
| distribution costs      | (95 000)  |
| administrative expenses | (35 000)  |
| profit from operations  | 495 000   |
| finance costs           | (5 000)   |
| profit for the year     | 490 000   |

What was the operating expenses to revenue ratio?

- A** 16.25%      **B** 16.88%      **C** 21.88%      **D** 38.13%

**20** On 1 January 2018 a business expected to have sales for the year ended 31 December 2018 of \$450 000.

Its non-current assets at that date were \$306 000.

On 1 July 2018 it purchased new machinery at a cost of \$180 000, in order to increase its sales by an extra \$20 000 each month.

What was the rate of non-current asset turnover in 2018? (Ignore depreciation.)

- A** 1.17 times  
**B** 1.42 times  
**C** 1.44 times  
**D** 1.74 times