

**23** Given a working capital ratio of 2.5:1 and the data below what is the figure for stock?

	\$
creditors	10 000
bank overdraft	4 400
debtors	20 000
prepayments	600
accruals	1 600
long-term loan	5 000
stock	?

- A** \$15 900      **B** \$16 900      **C** \$19 400      **D** \$31 900

**24** The table shows year-end information for three companies.

company	sales \$	operating profit as % of sales	capital employed \$
X	200 000	10	50 000
Y	500 000	15	100 000
Z	600 000	20	200 000

How should the companies be placed to show their relative order of returns on capital employed?

	returns on capital employed highest —————> lowest		
<b>A</b>	X	Y	Z
<b>B</b>	Z	Y	X
<b>C</b>	Y	Z	X
<b>D</b>	X	Z	Y

**25** The draft accounts of a business for the year ended 31 December 2001 included the following:

turnover      \$280 000

gross profit      \$60 000

It was subsequently discovered that the closing stock was understated by \$10 000.

What was the gross profit percentage after correcting this error?

- A** 17.9%      **B** 20.7%      **C** 21.4%      **D** 25.0%