

22 A company receives the following units of raw material into inventory.

units	per unit \$	total \$
120	38	4560
100	40	4000
60	44	2640

It then issued 240 units.

Inventory is valued using the weighted average (AVCO) method.

What was the closing value of inventory?

- A** \$1440 **B** \$1520 **C** \$1600 **D** \$1760

23 The budgeted data of N Limited is as follows.

production level	total costs
15 000 units	\$406 000
25 000 units	\$546 000

What is the budgeted fixed cost?

- A** \$196 000 **B** \$238 000 **C** \$336 000 **D** \$357 000

24 In March, a company's overhead absorption rate was \$2 per machine hour. In April this rate increased.

What had **increased** in April causing the change in the overhead absorption rate?

- A** cost of insurance for the factory
B hourly pay rate of production workers
C number of actual machine hours worked
D number of budgeted machine hours