

21 The following information was available for a business at the end of a financial year.

	\$
sales	300 000
opening inventory	33 000
closing inventory	27 000

The business applies a mark-up of 20% on all goods purchased.

What was the inventory turnover in days?

- A** 40 **B** 44 **C** 45 **D** 46

22 A business employs machine operators. Each machine operator works 36 hours a week.

One unit of output takes four hours of labour.

It also employs supervisors who can each supervise ten machine operators.

Production is currently 1140 units a week.

How many **more** units can be produced each week before the company needs to employ an extra supervisor?

- A** 3 **B** 30 **C** 75 **D** 90

23 What best describes a fixed cost?

- A** a part that stays the same and a part that changes as output increases
B the same cost per unit for any level of output
C the same total cost for any level of output
D the same total cost for output within a relevant range

24 What would result in the under-absorption of overheads?

	expenditure	units produced
A	actual is less than budgeted	actual is less than budgeted
B	actual is less than budgeted	actual is more than budgeted
C	actual is more than budgeted	actual is less than budgeted
D	actual is more than budgeted	actual is more than budgeted