

20 A business has prepared the following information for the year ended 30 April 2019.

	\$	\$
revenue		220 000
opening inventory	25 000	
purchases	120 000	
closing inventory	<u>(31 000)</u>	
cost of goods sold		<u>114 000</u>
gross profit		106 000

What was the inventory turnover?

- A 86 days
- B 90 days
- C 95 days
- D 100 days

21 Eight employees work in a team. Each employee is paid \$16 an hour and the team share a group bonus between them, which is based on their output of product. For any production in excess of 500 units the team, as a group, is paid a bonus of \$8 per unit. The bonus is shared equally and paid on a weekly basis.

Last week each member of the team worked 40 hours, and the team as a whole produced 560 units.

What is the pay of each member of the team?

- A \$700 B \$760 C \$1120 D \$1200

22 A company uses the weighted average cost (AVCO) method to value its inventory.

The following information is available for an item of inventory.

February	1	Balance	20 units at \$4 each
	14	Purchased	40 units at \$5 each
April	1	Purchased	40 units at \$8 each
May	22	Issued	55 units

What was the **total** cost of the units issued?

- A \$255 B \$270 C \$330 D \$345