

**27** A manufacturing business has two production departments: assembly and painting.

The following information is available.

	assembly	painting
machinery at net book value (\$)	150 000	100 000
machinery repair costs (\$)	14 000	6 000
machine operating hours	60 000	15 000
number of machines	30	10

The total machinery insurance cost for the year was \$5000.

How much insurance should be apportioned to the assembly department?

- A** \$3000      **B** \$3500      **C** \$3750      **D** \$4000

**28** Which costs will change with an increase in activity?

- A** unit fixed costs and total fixed costs  
**B** unit fixed costs and total variable costs  
**C** unit fixed costs and unit variable costs  
**D** unit variable costs and total variable costs

**29** The table shows figures for a week's production.

expected production	10 000 units
expected production overheads	\$50 000
actual production overheads	\$60 000
under absorption of overheads	\$5 000

What is the actual amount of production in the week?

- A** 9000 units      **B** 9167 units      **C** 11 000 units      **D** 13 000 units