

- 24** A company's profit before finance charges has increased by 10 % in a year, whilst its gross profit has only increased by 5 %.

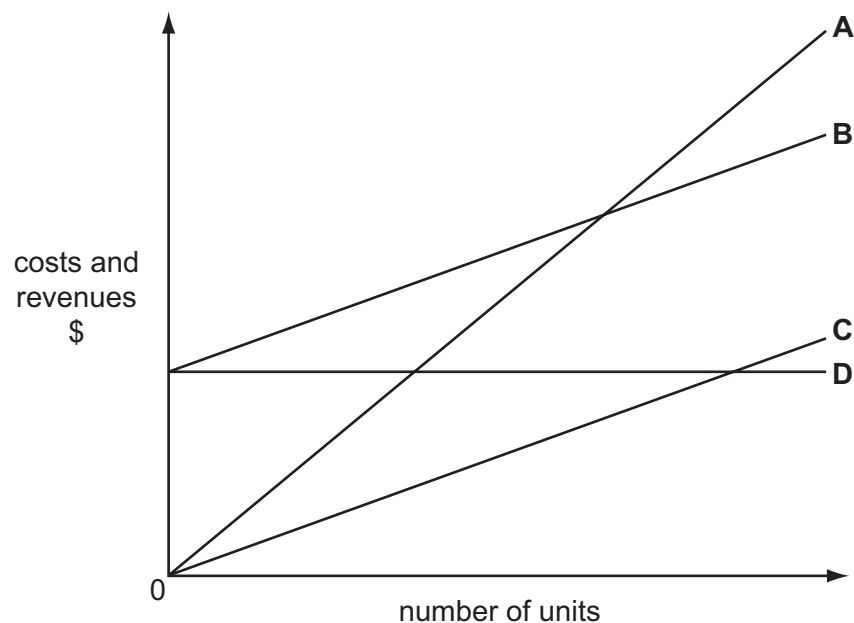
Which factors could explain this?

- 1 a decrease in finance charges
- 2 a decrease in selling and distribution expenses
- 3 an increase in rent received
- 4 an increase in selling prices

A 1 and 2 **B** 1 and 4 **C** 2 and 3 **D** 3 and 4

- 25** The diagram shows costs and revenues of a business.

Which line represents total cost?



- 26** A business pays a salesman a basic salary, plus commission based on how much he sells.

Which type of cost is the salesman's total earnings?

- A** fixed
B semi-variable
C stepped
D variable