

- 24** A company has sales of \$192 000, fixed costs of \$40 000 and a contribution / sales ratio of one-third.

What are its profits?

- A** \$24 000 **B** \$50 667 **C** \$64 000 **D** \$88 000

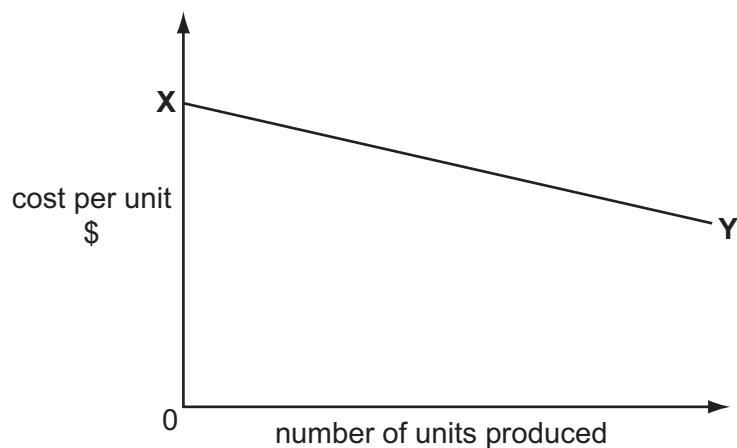
- 25** A firm sells its product for \$10 per unit and has variable costs of \$6 per unit. Its fixed costs for the year are:

	\$
factory rent	30 000
other fixed costs	70 000

What is the break-even point?

- A** 10 000 units
B 16 667 units
C 17 500 units
D 25 000 units

- 26** What does the line **XY** show?



- A** Fixed costs per unit become less as production increases.
B Total fixed costs become less as production increases.
C Total variable costs become less as production increases.
D Variable costs per unit become less as production increases.