

29 A business makes and sells a single product.

It has a selling price of \$100 and a contribution per unit of \$40.

When output is 500 units, the business makes a profit of \$2000.

The direct material price is expected to rise by \$4 per unit.

How many units will need to be made and sold for the profit to be unchanged?

- A** 450 **B** 455 **C** 550 **D** 556

30 What is **not** an advantage to a business of preparing budgets?

- A** They can motivate managers and employees.
- B** They ensure that the business will not make loss.
- C** They facilitate coordination and communication.
- D** They provide a measure for evaluating performance.