

- 3 Alberta Limited produces one product, plates, for which the following information is available.

	\$ per unit
Selling price	12.00
Direct materials	5.00
Direct labour	2.80
Variable overheads	2.20
Total fixed costs (per annum)	\$240 000
Sales per annum (units)	400 000

REQUIRED

- (a) Using the information above, calculate the following:

- (i) break-even point in units **and** sales value;

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- (ii) profit for one year, clearly showing the contribution per unit;

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- (iii) margin of safety in units **and** as a percentage of sales.

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