24 A business pays its employees $2 for each unit of X they assemble and $3.20 for each unit of Y. Monthly output is 1800 units of X and 1000 units of Y. The factory supervisor is paid $1000 per month.

What is the direct labour cost per month?

A $6800 **B** $7760 **C** $7800 **D** $8760

25 A garage owner paid the following costs.

1   mechanics' wages

2   garage equipment repairs

3   spare parts used to repair vehicles

4   rent paid for garage premises

Which of these are direct costs?

A 1, 2, 3 and 4

B 1, 2 and 3 only

C 1 and 3 only

D 2 and 4 only

26 A business incurs the following costs.

1   direct material and direct labour costs

2   indirect factory production overheads

3   administrative expenses

4   distribution costs

Which costs are included in the cost per unit using absorption costing?

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