

27 You are given the following information concerning a product.

	\$ per unit
selling price	10.00
variable labour costs	3.50
raw material costs	2.50
break-even point	2500 units

What is the total fixed cost?

- A** \$10 000 **B** \$15 000 **C** \$16 250 **D** \$18 750

28 What is a direct expense for a printing business?

- A** depreciation of printing machinery
B paper used in the printing process
C rent and rates of the factory premises
D the capital cost of printing machinery

29 A business uses absorption costing.

Which cost is used to value finished stock?

- A** full cost
B prime cost
C variable cost of production
D variable cost of sales

30 The following relate to a factory.

1	carriage inwards
2	depreciation of factory machinery
3	machine operators wages
4	insurance of machinery
5	royalties on production