

**26** A company's Profit and Loss Account showed a profit before interest of \$128 000.

Interest paid was \$8000.

The table shows amounts included in the company's Balance Sheet.

	\$
fixed assets	485 000
net current assets	27 000
amounts falling due after one year: Debentures	80 000

How much is the return on the total capital employed?

- A** 20.3 %      **B** 21.6 %      **C** 23.4 %      **D** 25.0 %

**27** What is a variable production cost for a manufacturer?

- A** depreciation of equipment
- B** factory business rates
- C** purchases of raw materials
- D** storekeepers' wages

**28** Existing fixed overheads are \$100 000, unit selling price is \$10 and unit variable costs are \$5.

Fixed overheads are expected to increase by \$20 000.

What is the new break-even sales volume?

- A** 10 000 units
- B** 12 000 units
- C** 20 000 units
- D** 24 000 units