

27 A business provided the following information for the past two months.

| month | number of labour hours | total overheads \$ |
|----------|------------------------|--------------------|
| February | 64 000 | 918 000 |
| March | 76 000 | 1 062 000 |

What was the monthly fixed overhead cost?

- A** \$144 000 **B** \$150 000 **C** \$768 000 **D** \$912 000

28 A company uses marginal costing.

Which costs are included in its inventory valuation?

- A** variable manufacturing cost, fixed manufacturing overhead and variable selling expenses
B variable manufacturing cost and fixed manufacturing overhead only
C variable manufacturing cost and variable selling expenses only
D variable manufacturing cost only

29 The break-even sales of a company are 1000 units when the variable costs are \$30 000 and fixed costs are \$20 000.

What is the profit if 70 units above the break-even point are sold?

- A** \$700 **B** \$1400 **C** \$2100 **D** \$3500

30 Who should be on the budget committee?

- A** accounting and finance staff only
B sales manager and production manager only
C sales staff only
D senior management representing every department in the organisation