24 A business manufactures 175 units of a product each month.

The following information is available for the month.

Per unit	$
revenue	580
variable costs	230
fixed overheads	90

What is the break-even point in units?

A 45 units **B** 61 units **C** 88 units **D** 160 units

25 When is marginal costing less useful than absorption costing?

A when choosing to make or buy a product

B when dealing with a limiting factor

C when producing a special order

D when valuing closing inventory

26 A company manufactures a single product with a selling price of $75 per unit. The table shows the costs based on sales and production volume of 8000 units.

	$
direct costs	158 000
variable manufacturing overheads	74 000
fixed manufacturing overheads	80 000
variable selling overheads	20 000
fixed administration overheads	100 000

If absorption costing is applied, what is the gross profit on each unit sold?

A $21.00 **B** $36.00 **C** $43.50 **D** $46.00