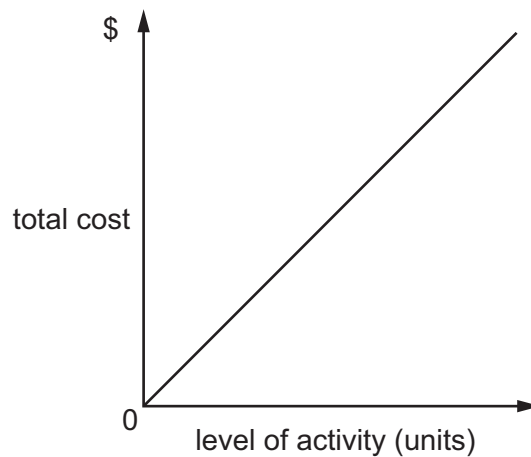


- 29** The graph shows the way in which a cost increases according to the level of activity of the business.



Which cost follows this pattern?

- A** administrative salaries
- B** commission on sales
- C** depreciation of factory
- D** office rent

- 30** Why does a business prepare budgets?

- 1 co-ordinate business activities
- 2 meet IAS requirements
- 3 motivate management

- A** 1 and 3 **B** 1 only **C** 2 and 3 **D** 2 only