

**24** A customer places an order for 20 000 bricks.

Which costing method will the supplier use to price the order?

- A** batch
- B** job
- C** marginal
- D** unit

**25** Which item is classed as a direct cost?

- A** administration costs
- B** carriage inwards
- C** carriage outwards
- D** supervisor's salary

**26** A business sells its product for \$50 a unit and has variable costs of \$30 per unit. Its fixed costs for this year were \$200 000. Next year, fixed costs are expected to be \$260 000.

How many more units will have to be sold next year to make the same profit as this year?

- A** 3000
- B** 5200
- C** 10 000
- D** 13 000

**27** A manufacturer produces 100 000 tins of paint with a total direct materials cost of \$300 000. Direct labour is 2000 hours at a cost of \$400 000, and overheads are absorbed at the rate of \$100 per direct labour hour.

What is the cost of a tin of paint?

- A** \$3
- B** \$5
- C** \$7
- D** \$9

**28** A business provides the following information.

month	number of machine hours	total overheads \$
August	72 000	842 000
September	84 000	938 000

The variable overhead rate per machine hour was \$8.

What was the monthly fixed cost?

- A** \$96 000
- B** \$266 000
- C** \$576 000
- D** \$672 000