

**29** A company manufactures and sells chairs. The following financial information is available.

per unit	\$
selling price	25
direct material and labour	12
other variable production costs	3
variable selling costs	2
fixed costs	4

The company has the option of buying in the chairs for resale instead of making them.

At which purchase price would the company's profit be unchanged?

- A** \$15                      **B** \$17                      **C** \$19                      **D** \$21

**30** Purchases in January 2014 are expected to be \$20 000 and to increase by \$1000 each month. 20% of purchases are for cash. Credit purchases are paid for in the month following purchase.

Which amount will be shown in the cash budget for payments to credit suppliers in March 2014?

- A** \$16 800                      **B** \$17 600                      **C** \$20 200                      **D** \$21 200