

27 A company absorbs overheads using machine hours. The following information is available.

	overheads	machine hours
budgeted	\$200 000	40 000 hours
actual	\$240 000	60 000 hours

What was the over or under absorption of overheads?

- A** \$40 000 over
- B** \$40 000 under
- C** \$60 000 over
- D** \$60 000 under

28 How is margin of safety calculated?

- A** actual sales minus break-even sales
- B** actual sales minus budgeted sales
- C** actual sales minus cost of sales
- D** budgeted sales minus cost of sales

29 A company incurs total costs of \$2200 for producing 100 units and \$4600 for 300 units. The selling price per unit is \$20.

What is the total profit or loss at a production level of 200 units?

- A** \$400 loss
- B** \$600 profit
- C** \$933 profit
- D** \$1600 profit

30 A company provides the following information in respect of its carriage costs.

units carried	total cost \$
2 000	6 000
5 000	13 500