

28 The actual output for a business is lower than that forecast.

Which costs would normally still be the same as forecast?

- 1 fixed cost per unit
- 2 total fixed cost
- 3 total variable cost
- 4 variable cost per unit

A 1 and 2 **B** 2 and 3 **C** 2 and 4 **D** 3 and 4

29 A manufacturer produces a single product. The following information is available.

	\$
selling price per unit	14
variable costs per unit	8
fixed costs per annum	96 000

There are plans to reduce the selling price by \$3 per unit and to reduce variable costs by \$1 per unit. Fixed costs will remain unchanged.

What will be the new break-even point?

- A** 9600 units
B 12 000 units
C 24 000 units
D 48 000 units

30 A company has recently introduced a system of budgetary control.

Workers have given the following reasons for failing to achieve the budget targets.

- 1 'We need more training.'
- 2 'The budget is unrealistic.'
- 3 'The budget needs to be changed to reflect actual conditions.'

Which reasons should be considered when evaluating a worker's performance?