

27 A business produces one product.

The following details are available for the budgeted production of 150 000 units.

	\$
selling price per unit	1.20
variable cost per unit	0.70
fixed cost per unit	0.20

What is the break-even point in sales value?

- A** \$30 000 **B** \$60 000 **C** \$72 000 **D** \$180 000

28 A business provides the following information.

month	number of machine hours	overheads \$
April	34 000	493 000
May	67 000	625 000

The variable overhead rate per machine hour was \$4.

What was the monthly fixed overhead cost?

- A** \$132 000 **B** \$136 000 **C** \$268 000 **D** \$357 000

29 Which business would use a job costing system of accounting?

- A** a chocolate factory
B a dairy milk farmer
C a house builder
D an oil refinery