

**26** A business has the following information relating to its single product.

	\$
selling price per unit	30
variable cost per unit	14
total cost per unit	24

What is its contribution to sales ratio?

- A** 20%                      **B** 46.67%                      **C** 53.33%                      **D** 80%

**27** A company makes three products for which the following details are given.

	product X \$	product Y \$	product Z \$
selling price per unit	40	48	72
direct material per unit	18	24	30
direct labour per unit	10	6	18

The same material is used to make all three products and it costs \$2.00 per kilo.

There is a shortage of material.

In which order should the products be made to achieve maximum profit?

	first	→	last
<b>A</b>	X	Y	Z
<b>B</b>	Y	Z	X
<b>C</b>	Z	X	Y
<b>D</b>	Z	Y	X

**28** Last month a company made and sold 10 000 units and earned a contribution of \$20 per unit.

Its final profit, after deducting total fixed costs, was \$120 000.

This month its sales volume has increased by 20%, its contribution per unit has increased by 5% and its total fixed costs have increased by 15%.

What is its profit this month?

- A** \$118 000                      **B** \$148 000                      **C** \$160 000                      **D** \$172 000