

- 26** The cost of using a mobile phone is made up of a monthly rental charge and the cost of individual phone calls.

What type of cost is this?

- A** fixed
- B** semi-variable
- C** stepped
- D** variable

- 27** A business sells its product for \$10 per unit and has variable costs of \$6 per unit. The table shows the fixed costs for the year.

	\$
factory rent	30 000
other fixed costs	70 000

What is the break-even point?

- A** 10 000 units    **B** 16 667 units    **C** 17 500 units    **D** 25 000 units

- 28** A company's financial information is as follows.

	\$
selling price per unit	55
variable costs per unit	15
total fixed costs	33 000

If the selling price is reduced to \$40, how many extra units need to be sold to break-even?

- A** 495                      **B** 825                      **C** 1320                      **D** 2200

- 29** A company is asked to make a new machine for a customer. It provides the following estimates.

materials will cost \$1100

labour will be 30 hours at a cost of \$14 per hour

The company charges overheads at \$10 per labour hour and has a mark up of 30% on total cost.

What is the price on the job cost sheet?

- A** \$1520                      **B** \$1820                      **C** \$1976                      **D** \$2366