

**22** Jamal uses the AVCO system to value his inventory. He provides the following information:

March 1	no opening inventory
6	60 units were purchased at \$120 per unit
17	100 units were purchased at \$116 per unit
23	110 units were sold for \$150 per unit

What was the cost of sales for March?

- A** \$5875      **B** \$12925      **C** \$13000      **D** \$18800

**23** A business makes wedding dresses. Each machinist is paid \$30 a day and each supervisor \$40 a day. Each supervisor can work with up to 10 machinists and each machinist can produce one wedding dress a day.

If 95 wedding dresses a day are produced, what is the daily labour cost?

- A** \$2850      **B** \$3210      **C** \$3230      **D** \$3250

**24** Which statement best describes variable costs?

- A** costs that are the same in total up to a certain level then increase with output  
**B** costs that are the same in total over any output level  
**C** costs that are constant per unit as output increases  
**D** costs that increase per unit as output increases

**25** A company manufactures and sells chairs. The following per unit information is available.

	\$
selling price	25
direct material and labour	12
other variable production costs	3
variable selling costs	2
fixed costs	4

The company has the option of buying in the chairs for resale instead of making them.

At which purchase price would the company's profit be unchanged?

- A** \$15      **B** \$17      **C** \$19      **D** \$21