

**24** The following information is forecast for next period.

	units
opening inventory	54 275
closing inventory	60 120
	\$
profit using marginal costing	300 600
profit using absorption costing	390 780

What is the overhead absorption rate per unit?

- A** \$5.00      **B** \$6.50      **C** \$7.20      **D** \$15.43

**25** A business has total fixed costs of \$240 000. Products have a unit selling price of \$25 and a unit variable cost of \$15.

How many units need to be sold to break even?

- A** 6000      **B** 9600      **C** 16 000      **D** 24 000

**26** The table contains information provided by a company.

budgeted direct labour hours	8000
actual direct labour hours worked	7500
budgeted overhead expenditure	\$104 000
actual overhead expenditure	\$112 500

What is the over or under recovery of overheads?

- A** \$8500 over recovered  
**B** \$8500 under recovered  
**C** \$15 000 over recovered  
**D** \$15 000 under recovered