|  |  |
| --- | --- |
| **18.** | (Points: 2.5) |
|  | Under a relevant range of production, the production has     a. minimum quantities that cannot exceed  b. maximum quantities that cannot exceed  c. minimum and maximum quantities that cannot exceed  d. no minimum or maximum quantities |
| 24. | (Points: 2.5) |
|  | |  |  |  | | --- | --- | --- | | Hanna Company has the following data | | | |  |  |  | | Year | Operating profit | Sales | | 1 | 50,000 | 1,000,000 | | 2 | 100,000 | 1,200,000 |   The contribution margin ratio is     a. 25%  b. 35%  c. 50%  d. 75% |
| 25. | (Points: 2.5) |
|  | |  |  |  | | --- | --- | --- | | Hanna Company has the following data | | | |  |  |  | | Year | Operating profit | Sales | | 1 | 50,000 | 1,000,000 | | 2 | 100,000 | 1,200,000 |   The total fixed cost is     a. $100,000.00  b. $120,000.00  c. $180,000.00  d. $200,000.00 |
| 26. | (Points: 2.5) |
|  | |  |  |  | | --- | --- | --- | | Hanna Company has the following data | | | |  |  |  | | Year | Operating profit | Sales | | 1 | 50,000 | 1,000,000 | | 2 | 100,000 | 1,200,000 |   The variable cost percentage of sales is     a. 25%  b. 35%  c. 50%  d. 75% |
| 27. | (Points: 3.0) |
|  | The incremental costs are     a. only fixed costs  b. only variable costs  c. could be variable or fixed costs  d. non avoidable costs |
| 28. | (Points: 3.0) |
|  | Tany Company operates a manufacturing facilities. The following information pertains to its normal production: Maximum manufacturing capacity per month is 20,000 units. Total variable costs for maximum capacity are $160,000. Total fixed costs per month are $400,000. Tany received an offer from a suppliers of 4,000 units. Determine the price that makes Tany indifferent to reject or not this offer     a. $28  b. $20  c. $12  d. $8 |