

QUESTION
 The following information is taken from the financial statements of ABC Company for the year ended 31/12/2020:
 Sales: 1000 units @ £100 each = £100,000
 Variable production costs: £40,000
 Variable selling and distribution costs: £5,000
 Fixed production overheads: £10,000
 Fixed selling and distribution overheads: £5,000
 Total fixed overheads: £15,000
 Total production costs: £55,000
 Total selling and distribution costs: £10,000
 Total costs: £65,000
 Profit: £35,000

Cost Type	Cost	Total
Variable production costs	£40,000	
Variable selling and distribution costs	£5,000	
Fixed production overheads	£10,000	
Fixed selling and distribution overheads	£5,000	
Total	£65,000	£65,000

KNOWLEDGE CHECK

