

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the contribution margin ratio?

ANSWER
The contribution margin ratio is 50%.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the break-even point in units?

ANSWER
The break-even point is 20,000 units.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the operating income?

ANSWER
The operating income is \$40,000.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the margin of safety in units?

ANSWER
The margin of safety is 8,000 units.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the contribution margin per unit?

ANSWER
The contribution margin per unit is \$5.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the total contribution margin?

ANSWER
The total contribution margin is \$50,000.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the break-even point in sales dollars?

ANSWER
The break-even point is \$200,000.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the margin of safety in sales dollars?

ANSWER
The margin of safety is \$80,000.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the contribution margin ratio?

ANSWER
The contribution margin ratio is 50%.

QUESTION
A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the break-even point in units?

ANSWER
The break-even point is 20,000 units.

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A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the operating income?

ANSWER
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A company has a fixed cost of \$100,000 and a variable cost of \$5 per unit. The company sells 10,000 units at a price of \$10 per unit. What is the margin of safety in units?

ANSWER
The margin of safety is 8,000 units.