

## Quiz Break-even point

- A. Which of the following costs is a variable cost?
- Rent
  - Raw materials
  - Advertising
- B. Which of the following is a fixed cost?
- Raw materials
  - Electricity
  - Rent
- C. Which of the following calculations gives the total costs of a business?
- Adding fixed costs to sales revenue
  - Subtracting variable costs from sales revenue
  - Adding variable costs to fixed costs
- D. What would the variable costs be if the output level is zero?
- Equal to fixed costs
  - Zero
  - Equal to sales revenue
- E. On a break-even chart, which line does sales revenue meet at the break-even point?
- Variable costs
  - Total costs
  - Fixed costs

F. Which lines are normally plotted on a break-even chart?

1. Total costs, variable costs and fixed costs
2. Sales revenue, variable costs and fixed costs
3. Sales revenue, total costs and fixed costs

G. At what point does total revenue equal total costs?

1. Break-even point
2. Contribution
3. Total costs