

ABC Co has a manufacturing capacity of 10,000 units.

The flexed production cost budget of the company is as follows:

| | | |
|------------------------|----------|----------|
| Capacity | 60% | 100% |
| Total production costs | \$11,280 | \$15,120 |

What is the budgeted total production cost if it operates at 85% capacity?

- A. \$13,680
- B. \$12,852
- C. \$14,025
- D. \$12,340