

Exercise 10-15 (20 minutes)

Via Gelato
Revenue and Spending Variances
For the Month Ended June 30

	<i>Flexible Budget</i>	<i>Actual Results</i>	<i>Revenue and Spending Variances</i>	
Liters (q).....	6,200	6,200		
Revenue (\$12.00q)	<u>\$74,400</u>	<u>\$71,540</u>	<u>\$2,860</u>	U
Expenses:				
Raw materials (\$4.65q).....	28,830	29,230	400	U
Wages (\$5,600 + \$1.40q)	14,280	13,860	420	F
Utilities (\$1,630 + \$0.20q)	2,870	3,270	400	U
Rent (\$2,600)	2,600	2,600	0	
Insurance (\$1,350).....	1,350	1,350	0	
Miscellaneous (\$650 + \$0.35q) ..	<u>2,820</u>	<u>2,590</u>	<u>230</u>	F
Total expense.....	<u>52,750</u>	<u>52,900</u>	<u>150</u>	U
Net operating income	<u>\$21,650</u>	<u>\$18,640</u>	<u>\$3,010</u>	U