

Exercise 10-16 (30 minutes)

AirQual Test Corporation
Flexible Budget Performance Report
For the Month Ended February 28

	<i>Planning Budget</i>	<i>Activity Variances</i>		<i>Flexible Budget</i>	<i>Revenue and Spending Variances</i>		<i>Actual Results</i>
Jobs (q)	50			52			52
Revenue (\$360.00q).....	<u>\$18,000</u>	<u>\$720</u>	F	<u>\$18,720</u>	<u>\$230</u>	F	<u>\$18,950</u>
Expenses:							
Technician wages (\$6,400).....	6,400	0		6,400	50	U	6,450
Mobile lab operating expenses (\$2,900 + \$35.00q).....	4,650	70	U	4,720	190	F	4,530
Office expenses (\$2,600 + \$2.00q)	2,700	4	U	2,704	346	U	3,050
Advertising expenses (\$970).....	970	0		970	25	U	995
Insurance (\$1,680).....	1,680	0		1,680	0		1,680
Miscellaneous expenses (\$500 + \$3.00q)	650	6	U	656	191	F	465
Total expense	<u>17,050</u>	<u>80</u>	U	<u>17,130</u>	<u>40</u>	U	<u>17,170</u>
Net operating income	<u>\$ 950</u>	<u>\$640</u>	F	<u>\$ 1,590</u>	<u>\$190</u>	F	<u>\$ 1,780</u>