**Exercise 1**

The manufacturer planned material consumption values in his company and then found out the actual consumption values.

|  |  |  |
| --- | --- | --- |
| **Item** | **Unit** | **Price** |
| ***Material consumption*** | Kg | CZK / kg |
| Planned situation | 300 | 15 |
| Actual situation | 320 | 16 |

1. Calculate the actual cost

2. Calculate the planned costs

3. Calculate the total cost variance in monetary units.

4. Calculate how the price increase contributed to the total variance (price variance)

5. Calculate how consumption growth contributed to the total variance (quantity variance)

**Exercise 2**

|  |  |  |
| --- | --- | --- |
| **Item** | **Unit** | **Price** |
| ***Material consumption*** | ***Kg*** | ***CZK / kg*** |
| Planned situation | 50 | 20 |
| Actual situation | 48,65 | 18,5 |
| ***Consumption of working time*** | ***Hours*** | ***CZK / hour*** |
| Planned situation | 25 | 60 |
| Actual situation | 24 | 62,5 |
| ***Sale of products*** | ***Pcs (pieces)*** | ***CZK / pcs*** |
| Planned situation | 100 | 100 |
| Actual situation | 90 | 100 |

All resulting values will be rounded.

1. Calculate the material variance and how price growth and consumption growth contributed to this variance.

2. Calculate the wage variance, and how price growth (wage rates) and how labor time consumption growth contributed to this variance.

3. Calculate the variance in sales, and how price growth and sales growth contributed to this variance.