

Exercise 1

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

Item	Unit	Price
<i>Material consumption</i>	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
<i>Material consumption</i>	Kg	CZK / kg
Planned situation	50	20
Actual situation	48,65	18,5
<i>Consumption of working time</i>	Hours	CZK / hour
Planned situation	25	60
Actual situation	24	62,5
<i>Sale of products</i>	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.