Calculating variances - Exercises

Complete the last column in the table by filling in the size of the variance and stating whether it is favourable (F), or adverse (A)

|  |  |  |  |
| --- | --- | --- | --- |
| £ | Budgeted | Actual | Variance |
| Revenue |  |  |  |
| January | 12 | 13 |  |
| February | 14 | 15 |  |
| March | 13 | 12 |  |
| April | 15 | 16 |  |
| Costs |  |  |  |
| January | 10 | 12 |  |
| February | 12 | 14 |  |
| March | 14 | 14 |  |
| April | 15 | 13 |  |

Discus whether the business has performed well or poorly over the four month period January to April

|  |
| --- |
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|  |

Complete the last column in the table by filling in the size of the variance and stating whether it is favourable (F), or adverse (A)

|  |  |  |  |
| --- | --- | --- | --- |
| £ | Budgeted | Actual | Variance |
| Revenue |  |  |  |
| Q1 | 1.2 | 1.5 |  |
| Q2 | 1.3 | 1.3 |  |
| Q3 | 1.1 | 1 |  |
| Q4 | 1.6 | 1.4 |  |
| Costs |  |  |  |
| Q1 | 1 | 1.1 |  |
| Q2 | 1.1 | 1.2 |  |
| Q3 | 0.9 | 1.1 |  |
| Q4 | 1.4 | 1.6 |  |

Complete the missing values from the Budgeted and Actual columns, then complete the last column of the table and state whether the variance is favourable (F), or adverse (A)

|  |  |  |  |
| --- | --- | --- | --- |
| Annual budgeted and actual overheads for a biscuit manufacturer (£) | | | |
| Description | Budgeted | Actual | Variance |
| Rent | 60,000 | 60,000 |  |
| Rates | 5,500 | 5,500 |  |
| Insurance | 1,200 | 1,300 |  |
| Maintenance | 16,000 |  | 1000 |
| Distribution | 78,000 | 85,000 |  |
| Telephone |  | 1,600 |  |
| Administration | 64,000 |  | 2,000 |
| Accountancy fees | 4,500 | 4,700 |  |
| Depreciation |  | 20,000 | 0 |
| TOTAL | 250,900 | 255,100 |  |

Complete the missing values from the last column of the table and state whether the variance is favourable (F), or adverse (A)

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Budgeted and actual cash flows for a carpet retailer for 2months (£) | | | | | | |
|  | JANUARY | | | FEBRUARY | | |
|  | Budgeted | Actual | Variance | Budgeted | Actual | Variance |
| Cash receipts | 25,000 | 25,600 |  | 26,000 | 27,100 |  |
| Cash Inflow | 25,000 | 25,600 |  | 26,000 | 27,100 |  |
| Purchases | 15,000 | 17,000 |  | 15,000 | 16,000 |  |
| Wages | 6,500 | 6,600 |  | 6,500 | 6,700 |  |
| Overheads | 2,000 | 2,100 |  | 2,000 | 1,800 |  |
| Cash outflow | 23,500 | 25,700 |  | 23,500 | 24,500 |  |
| Net cash flow | 1,500 | -100 |  | 2,500 | 2,600 |  |
| Opening balance | 4,000 | 4,000 |  | 5,500 | 3,900 |  |
| Closing balance | 5,500 | 3,900 |  | 8,000 | 6,500 |  |