

2 Read Source B in the insert.

(a) Calculate:

(i) the actual unit selling price

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..... [2]

(ii) the unit selling price which would have given the same actual total contribution in April 2024 as the standard total contribution for the month

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..... [3]

(iii) the actual total quantity of direct materials used (in kilos)

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..... [3]

(iv) the actual price paid per kilo of direct material

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..... [2]

(v) the actual hours used by direct labour per unit.

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..... [3]

(b) Name the budget which P Limited would have prepared if actual sales units had been more or less than the budgeted 11 000 units.

..... [1]

(c) Suggest **four** reasons why the company uses standard costs.

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2
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3
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4
..... [4]

