

3 Blue Skies Ltd manufactures three types of tent: Beach, Explorer and Family.

The company provides the following forecast data for the year ending 30 April 2013:

	Beach 30 000	Explorer 40 000	Family 24 000
Forecast demand (units)			
Per Unit	\$	\$	\$
Selling price	70	130	200
Raw materials	30	36	54
Direct labour	8	20	38
Variable overhead	6	26	48

The same waterproof material is used in the manufacture of each tent.

The cost of material is estimated to be \$6 per square metre.

Fixed costs for the year ending 30 April 2013 are estimated to be \$3 500 000.

REQUIRED

- (a) (i) Calculate the unit contribution for each product.

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- [illegible]

Clearly show the contribution made by **each** type of tent and the **total** profit made in the year.

[illegible]

[5]

