

- | Machine | X | Y |
|---------------------------|--------|--------|
| Hourly rate of production | 160 | 250 |
| Material cost per unit | \$5.00 | \$4.60 |
| Hourly labour rate | \$10 | \$10 |
| Number of operatives | 4 | 5 |
| Fixed costs per order | \$200 | \$500 |
| Variable unit costs | \$2.40 | \$2.60 |

(a) Order 123/P for 800 containers

[9]

[7]

(c) Calculate the contribution to be made for order number 123/P to make a profit of 25% on total cost, using each machine.

(i) Machine X

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(ii) Machine Y

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