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:

ecast demand (units)	Beach 30 000	Explorer 40 000	Family 24 000
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.	
			[5]

	(ii)	Calculate the total contribution and profit for the year based on forecast demand.	
			re1
			[5]
	e is o	nly one supplier capable of producing waterproof tent material of the ality.	
		informed Blue Skies Ltd that the maximum amount they can supply in the 546 000 square metres.	
REQI	JIRED		
(b)	Calc	ulate the contribution per square metre for each product produced.	
			[3]

(c)	Using the quantity of material that is available for production, calculate the number of each type of tent that should be produced so that total profit is maximised.	
		[7]
(d)	Using the quantity of material that is available, prepare a marginal cost profit statement.	
	Clearly show the contribution made by each type of tent and the total profit made in the year.	
		, - -
		[5]

(e)	The directors determine that at least 27 000 units of the Beach tent have to be produced in the coming year.	
	Prepare a revised marginal cost statement to show the contribution made by each type of tent and total profit made in the year.	
		[5]
		۲-1