**Student name:**

|  |  |
| --- | --- |
| **Assume** | $5.00  $3.00  $100.00  100 units  $100/100=$1.00  $3.00+$1.00=$4.00 |
| Unit price  Unit variable cost Fixed costs Budgeted volume Fixed cost per unit Full cost per unit |

**LANDAU COMPANY**

Exhibit A: Absorption versus Variable Costing Worksheet

Last year the company produced 100 units. The beginning inventory is from last year’s production

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| S=P | | | S>P | | | S<P | | |
| Sales(S)  Production | 100 | 80 | 110 | 115 | 90 | 125 | 90 | 75 | 100 |
| 100 | 80 | 110 | 100 | 80 | 110 | 100 | 80 | 110 |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Revenue** |  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Absorption Costing**  Cost of goods sold Profit |  | | | | | | | | |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Variable Costing** Cost of goods sold Contribution  Fixed costs  Profit |  | | | | | | | | |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |