

3.

value:
2.00 points

Lavage Rapide is a Canadian company that owns and operates a large automatic carwash facility near Montreal. The following table provides data concerning the company's costs:

	Fixed Cost per Month	Cost per Car Washed
Cleaning supplies		\$ 0.60
Electricity	\$ 1,300	\$ 0.10
Maintenance		\$ 0.30
Wages and salaries	\$ 4,300	\$ 0.20
Depreciation	\$ 8,000	
Rent	\$ 2,000	
Administrative expenses	\$ 1,600	\$ 0.03

For example, electricity costs are \$1,300 per month plus \$0.10 per car washed. The company expected to wash 8,100 cars in August and to collect an average of \$6.50 per car washed. The company actually washed 8,200 cars in August.

Required:

Compute the company's activity variances for August. (Indicate the effect of each variance by selecting "F" for favorable, "U" for unfavorable, and "None" for no effect (i.e., zero variance). Input all amounts as positive values.)

Lavage Rapide		
Activity Variances		
For the Month Ended August 31		
Revenue		
Expenses:		
Cleaning supplies		

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Lavage Rapide		
Activity Variances		
For the Month Ended August 31		
Revenue		
Expenses:		
Cleaning supplies		
Electricity		
Maintenance		
Wages and salaries		
Depreciation		
Rent		
Administrative expenses		
Total expense		
Net operating income		