

4.

value:
2.00 points

Via Gelato is a popular neighborhood gelato shop. The company has provided the following data concerning its operations:

	Fixed Element per Month	Variable Element per Liter	Actual Total for June
Revenue		\$15.00	\$84,540
Raw materials		\$ 4.95	\$31,530
Wages	\$ 5,900	\$ 1.70	\$15,900
Utilities	\$ 1,930	\$ 0.50	\$ 5,500
Rent	\$ 2,900		\$ 2,900
Insurance	\$ 1,650		\$ 1,650
Miscellaneous	\$ 680	\$ 0.65	\$ 4,150

While gelato is sold by the cone or cup, the shop measures its activity in terms of the total number of liters of gelato sold. For example, wages should be \$5,900 plus \$1.70 per liter of gelato sold and the actual wages for June were \$15,900. Via Gelato expected to sell 6,000 liters in June, but actually sold 6,200 liters.

Required:

Complete the report showing Via Gelato revenue and spending variances for June. (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.)

Via Gelato		
Revenue and Spending Variances		
For the Month Ended June 30		
Revenue		
Expenses:		

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Via Gelato		
Revenue and Spending Variances		
For the Month Ended June 30		
Revenue		
Expenses:		
Raw materials		
Wages		
Utilities		
Rent		
Insurance		
Miscellaneous		
Total expense		
Net operating income		