

Absorption to Marginal costing.

We plan to make 5000. We actually make 2000
 We plan to sell 1,500. We actually sell 1,000.

The variable cost is £8.00 each. The budgeted factory overhead is £3,000. The actual factory overhead was £2,000. Other overheads were £1,000. The selling price per unit was £200.00.

Produce a profit statement under both marginal and Absorption costing.

