The Princeton Company uses flexible budgets and a standard cost system.

• Direct-labor costs incurred, 12,000 hours, $150,000

• Variable-overhead costs incurred, $37,000

• Fixed-overhead flexible-budget variance,  $1,600, favorable

• Finished units produced,  1,800

• Fixed-overhead costs incurred,  $38,000

• Variable overhead applied at  $3 per hour

• Standard direct-labor cost,  $13 per hour

• Denominator production per month,  2,000 units

• Standard direct-labor hours per finished unit,  6 hours

Prepare an analysis of all variances (similar to Exhibit 13-11, p. 614).

