Solutions

2.1

- $SQ = 5{,}100 \times 0.40 = 2{,}040$ kg.
- Usage $= (2{,}140 - 2{,}040) \times 1.80$.
- $=$ £180 adverse.

2.2

- $AP = 4{,}066/2{,}140 =$ £1.90/kg.
- Price $= (1.90 - 1.80) \times 2{,}140$.
- $=$ £214 adverse.

2.3

- Total $= 180 + 214 =$ £394 adverse.
- Direct check: actual £4,066 − flexible £$(2{,}040 \times 1.80) =$ £3,672 → £394 ✓.

2.4

- $(4{,}900 - 5{,}200) \times 6.00 =$ £1,800 adverse.
- Honest read: the supplier ban removed capacity – mostly a diagnosis, not performance; flex the budget and judge what execution controlled.

2.5

- Net: $-190 + 150 + 80 =$ £40 adverse once refunds count.
- Lesson: leaves trade – a favourable price BOUGHT adverse usage plus quality cost; read the tree together, never one leaf alone.

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