Assignment on Activity Based Costing

Your name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Email: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Partner’s Name \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

Projected Profits: What is the Next-Step towards Activity-Based Costing?

Flat Molded

Units 50,000 5,000

Price $15.00 $25.00

Direct materials 1.08 1.20

Direct labor 5.00 10.00

Purchasing 0.30 7.00

W & Handling 0.12 2.40

Man. OH \_ \_\_\_

# Unit (Inventory) Cost \_\_\_\_ \_\_\_\_\_

# Profit per unit \_\_ \_\_ \_\_\_\_\_

**Allo. Base Usage**

## Flat Molded Flat Molded

Sales 875,000 750,000 125,000

Materials 60,000 54,000 6,000

Labor 300,000 250,000 50,000

Purchasing 50,000 p. Orders 30 70 15,000 35,000

W & Handling 18,000 deliveries 50 100 6,000 12,000

Man OH \_\_\_\_\_\_\_ total DLH 25,000 5,000 \_\_\_\_\_\_\_ \_\_\_\_\_\_\_

**G. Margin 255,000**

Admin 90,000

Marketing 100,000

Profits  **65,000**