

# Wood Manufacturing & Finishing Costings Q&A Set 1

Phase 6

Lecturer Jennifer Byrne

# Q.1 – Fitted Kitchen

- A fitted kitchen uses materials costing €2,450. Labour takes 62 hours @ €18.50 per hour. Profit is charged at 30% and VAT @ 13.5% applies. If the customer pays cash, a 5% discount is allowed. What is the final price paid by the customer?

- **Fitted Kitchen Answer:**

- Materials = €2,450
- Labour =  $62 \times €18.50 =$  €1,147
- Cost before profit = €3,597
- +30% profit =  $(3,597 \div 100 \times 30)$  €1,079  
€4,676.10
- +13.5% VAT =  $(4,676 \div 100 \times 13.5)$  €631.27  
€5,307.37
- -5% cash discount = 265.36  
€5,042.00
- **Final Price = €5,042**

## Q.2 – Timber Floor

- A timber floor covers 48m<sup>2</sup>. Flooring costs €32 per m<sup>2</sup>. Labour is charged at €22 per m<sup>2</sup>. Profit is 25% and VAT @ 13.5%. Allow 3% cash discount. Calculate the final cost.
- **Timber Floor Answer:**
- Materials =  $48 \times €32 = €1,536$   
Labour =  $48 \times €22 = €1,056$                       **Cost before profit = €2,592**
- +25% profit =  $€2,592 \times 1.25 = €3,240$
- +13.5% VAT =  $€3,240 \times 1.135 = €3,677.40$
- -3% cash discount =  $€3,677.40 - 3\% = €3,677.40 \times 3\% = €110.32$
- $€3,677.40 - 110.32 = €3,567.07$                       **or**
- $€3,677.40 \times 0.97 = €3,567.07$
- **Final price = €3,567**

## Q.3 – Dining Table

- An oak table requires timber costing €480. Labour takes 26 hrs @ €21 per hr. Overheads are charged at 10% of labour cost. Profit is 35% and VAT @ 23%. Find the selling price.
- **Dining Table Answer:**
- Materials = €480
- Labour =  $26 \times €21 = €546$
- Overheads = 10% of €546 = €54.6      **Cost before profit = €1,080.60**
- +35% profit =  $€1,080.60 \times 1.35 = €1,458.81$
- +23% VAT =  $€1,458.81 \times 1.23 = €1,794.33$
- **Selling price = €1,794**

## Q.4 – Wardrobe Units

- A bale of chipboard costing €820 produces 16 wardrobe units. Each unit takes 9 hours @ €16.80 per hour. Profit is 28% and VAT @ 13.5%. Calculate the price of one unit.
- **Wardrobe Unit Answer:**
- Materials per unit =  $€820 \div 16 = €51.25$
- Labour =  $9 \times €16.80 = €151.20$
- **Cost before profit = €202.45**
- +28% profit =  $€202.45 \times 1.28 = €259.13$
- +13.5% VAT =  $€259.13 \times 1.135 = €294.11$
- **Price per unit = €294**

## Q.5 – Hardwood Floor

- A hardwood floor uses materials costing €3,150. Labour costs €1,680. Profit is 20%, VAT @ 13.5%, and a 4% cash discount applies after VAT. Find the final price.
- **Hardwood Floor Answer:**
- Material €3,150 + Labour costs €1,680 = €4,830
- **Cost before profit = €4,830**
- +20% profit =  $€4,830 \times 1.20 = €5,796$
- +13.5% VAT =  $€5,796 \times 1.135 = €6,579$
- -4% cash discount =  $€6,579 \times 0.96 = €6,315.32$
- **Final price = €6,315**

# Q.6 –Kitchen Installation

- **Q.6 –Kitchen Installation** Materials cost €4,200. Labour takes 74 hours @ €20 per hour. Profit is 30% and VAT @ 13.5%. Allow for a 6% cash discount. What does the customer pay?
- **Kitchen Installation Answer:**
- Material = €4,200
- Labour =  $74 \times €20 = €1,480$
- **Cost before profit = €5,680**
- +30% profit =  $€5,680 \times 1.30 = €7,384$
- +13.5% VAT =  $€7,384 \times 1.135 = €8,380.84$
- -6% cash discount =  $€8,380.84 \times 0.94 = €7,877.98$
- **Final price = €7,878**

# Q.7 – Timber Floor

- A room measures 22 m<sup>2</sup>. Flooring costs €29 per m<sup>2</sup>. Labour is €24 per m<sup>2</sup>. Profit is charged @ 22% and VAT @ 13.5%. Calculate the cost of flooring the room.
- **Timber Floor Answer:**
- Materials =  $22 \times €29 = €638$
- Labour =  $22 \times €24 = €528$
- **Cost before profit = €1,166**
- +22% profit =  $€1,166 \times 1.22 = €1,423.52$
- +13.5% VAT =  $€1,423.52 \times 1.135 = €1,614.56$
- **Total cost = €1,615**

## Q.8 – Coffee Table

- A furniture maker produces 10 coffee tables from timber costing €1,450. Each table takes 11 hours @ €18 per hour. Profit is 40% and VAT @ 23%. Find the selling price of one table.
- **Coffee Table Answer:**
- Materials per table =  $€1,450 \div 10 = €145$
- Labour =  $11 \times €18 = €198$
- **Cost before profit = €343**
- +40% profit =  $€343 \times 1.40 = €480.20$
- +23% VAT =  $€480.20 \times 1.23 = €590.65$
- **Selling price per table = €591**

## Q.9 – White Fitted Kitchen

- A small kitchen uses materials costing €1,980. Labour takes 41 hours @ €17.50 per hour. Profit is charged @ 25%, VAT @ 13.5%, and a 5% cash discount is applied. Calculate the final amount paid.
- **White Fitted Kitchen Answer:**
- Materials costs = €1,980
- Labour =  $41 \times €17.50 = €717.50$
- **Cost before profit = €2,697.50**
- +25% profit =  $€2,697.50 \times 1.25 = €3,371.87$
- +13.5% VAT =  $€3,371.87 \times 1.135 = €3,827.07$
- -5% cash discount =  $€3,827.07 \times 0.95 = €3,635.71$
- **Final price = €3,636**