

Costings Questions 1

Q. 1 20 Lockers can be made from a Bale of Chipboard @ €750.00 per bale. Each locker takes 8 hours to make @ €8.65 per hour. What is the final selling price of one locker, after adding Profit @ 23% and Vat @ 21%?

Q. 2 25 Blanket Chests can be made out of a Bale of M.D.F. costing €1125.00 for the bale. Each unit takes 12.5 hours to make at € 9.50 per hour. Allowing for Profit @ 15% and V.A.T. @ 21%. What is the selling price of one Chest?

Q. 3 A Wardrobe comprising of 3 sheets of Oak M.D.F. @ €52.00 per sheet, one sheet of Oak veneered Plywood @ €22.00 per sheet, and other materials €25.00. Labour is charged at €10.00 per hour, and a total of 13 hours is spent on this unit. After adding Profit @ 25% and vat. @ 21%, what is the finished price of the wardrobe?

Q. 4 10 Kitchen Units can be made out of a bale of Chipboard @ €300.00 per bale. Also needed are 15 Doors @ € 38.00 each and 2 Worktops @ € 52.00 each. The Complete Kitchen takes 45hrs to make from start to finish @ €15.50 per hour, Profit is charged at 25% and V.A.T. @ 12.5%. What price does the customer pay for their Fitted Kitchen ?

Q. 5 A bale of Mahogany costing €1632.00 can produce enough material to complete 12 Tables. Each Table takes 19hrs to make @ €22.00 per hour. Spraying is charged @ € 21.00 per table, Overheads is charged at 8% of Labour costs. Allow for Profit @ 33% and V .A. T .@ 21%. Calculate the selling price of one Table?

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Answers.

Q. 1 € 750 / 20 = € 37.50 (materials) 8 X € 8.65 = € 69.20 (labour)

Cost of one locker = € 106.70 (materials + labour)

+23% profit = € 131.24 (106.70 / 100, X 123 = 131.24)

+20% vat = € 158.80 (131.24 / 100, X 121 = 158.80)

to nearest Euro = **€ 159**

Q. 2 € 1125 / 25 = € 45 (materials) 12.50 X € 9.50 = € 118.75 (labour)

Cost of one chest = € 163.75 (materials + labour)

+20% profit = € 188.31 (163.75 / 100, X 115 = 188.31)

+21% vat = € 227.85 (188.31 / 100, X 121 = 227.85)

Cost of one table = **€ 228**

Q. 3 3 x € 52 = € 156 (MDF) + € 22 (Ply) + € 25 (other) = € 203 (materials)

13 X € 10 = € 130 (labour)

Cost of wardrobe = € 333 (materials + labour)

+25% profit = € 416.25 (333 / 100, X 125 = 416.25)

+12.5% vat = € 468.28 (416.25 / 100, X 112.5 = 468.28)

to nearest Euro = **€ 468**

Q. 4 € 300 (chipboard) + 15 X € 38 = € 570 (doors) + 2 X € 52 = € 104 (worktops)

= € 974 (materials) 45 X € 15.50 = € 697.50 (labour)

Cost of kitchen = € 1671.50 (materials + labour)

+25% profit = € 2089.38 (1671.50 / 100, X 125 = 2089.38)

+12.5% vat = € 2350.55 (2089.38 / 100, X 112.5 = 2350.55)

to nearest Euro = **€ 2,351**

Q. 5 € 1632 / 12 = € 136 (materials) 19 X € 22 = € 418 (labour)

€ 21 (spraying) 8% of € 418 = € 33.44 (overheads)

Cost of one table = € 608.44 (materials, labour, spraying + overheads)

+33% profit = € 809.23 (608.44 / 100, X 133 = 809.23)

+21% vat = € 979.16 (809.23 / 100, X 121 = 979.16)

to nearest Euro = **€ 979**