

# 1

Use cell references in your formulas instead of copying or copying values.  
DO NOT round decimal Excel results to whole units in ALL EXCEL CALCULATIONS!!!

## Solved tasks

Corporation Garner Ltd. sells three main product groups - robotic lawn mowers, small tractors and provides services

1. In item B. on the "Gardener" worksheet, prepare a unit costing for each type of product. Use a simple 2-stage
2. Refine the calculation from item 1 by using a multi-stage allocation in which you first reallocate service

		Delivering centre	
		Rental	Canteen
		Allocation driver = m2	Allocation driver = number of persons
Receiving centre	Sales	36.00 m2	15 persons
	Rental	x	x
	Canteen	17.00 m2	x
	Management and admin	5.00 m2	5 persons
		58.00 m2	20.00

## Separate task

Korporace Profi s.r.o. provides two types of consulting services - audit and tax consulting. A summary of its costs

3. On the sheet "Separately", prepare a costing for 1 hour of consulting services of Profi Ltd. Allocate the i
4. Refine the calculation from step 1 using a multi-stage allocation, first reallocating the costs of the servic

		supplier	
		Facility man.	IT
		Cost driver = m2	Cost driver - number of connection points
receiving (customer)	Facility	x	x
	IT	50.00 m2	x
	Operations	280.00 m2	70.00
	Admin	100.00 m2	10.00



service for both.

age overhead rate allocation.

unit costs according to the following allocation keys:

osts for the past reporting period is summarized in the "Separate" sheet.

indirect costs using a one-step allocation.

ce units according to the following allocation keys:

# Gardener Ltd.

## A. Basic data

	Lawn mowers
Sales volume	340 pcs
Number of offers made to prospective buyers	420
Average selling price	1,100 EUR/pc.
<b>Costs:</b>	
Cost of goods sold	269,229 EUR
Purchased services	x
Indirect costs of the "Sales" centre	x
Indirect costs of the "Rent" centre	x
Indirect costs of the "Canteen" centre	x
Indirect costs of the "Management and admin" centre	x

## B. Resulting costing with one-step allocation

	Lawn mowers (1 piece)
<b>Direct costs</b>	<b>792 EUR/pc.</b>
Indirect costs - "Sales"	73 EUR/pc.
Indirect costs - "Rent"	69.12 EUR/pc.
Indirect costs - "Cantina"	51 EUR/pc.
Indirect costs - "Management and admin"	59 EUR/pc.
<b>Total indirect costs</b>	<b>252 EUR/pc.</b>
<b>Total costs</b>	<b>1,044 EUR/pc.</b>
<b>Profit</b>	<b>56 EUR/pc.</b>
Selling price	1,100 EUR/pc.
ROS	5.1%
<i>additional</i>	
A. Indirect c. "Sales" by type of performance	374,000 EUR

## C. Step-down allocation (=reallocation) of costs and their resulting costi

### Reallocation of INDIRECT COSTS:

	Departmental indirect cost before allocation
Sales	
Rent	
Canteen	
Management and admin	
<b>Sum</b>	

	Lawn mowers (1 piece)
<b>Direct costs</b>	
Indirect costs - "Sales"	
Indirect costs - "Rent"	
Indirect costs - "Cantina"	
Indirect costs - "Management and admin"	
<b>Total indirect costs</b>	
<b>Total costs</b>	
<b>Profit</b>	

Selling price  
ROS







3

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59.37 EUR/offer  
6.28%  
4.66%  
5.34%

1

[Redacted]

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[Redacted]





# Gardener Ltd.

## A. Basic data

	Lawn mowers	Small tractors	Service
Sales volume	340 pcs	120 pcs	3,400 hours
Number of offers made to prospective buyers	420	351	286
Average selling price	1,100 EUR/pc.	2,100 EUR/pc.	20 EUR/hour
<b>Costs:</b>			
Cost of goods sold	269,229 EUR	149,100 EUR	x
Purchased services	x	x	38,110 EUR
Indirect costs of the "Sales" centre	x	x	x
Indirect costs of the "Rent" centre	x	x	x
Indirect costs of the "Canteen" centre	x	x	x
Indirect costs of the "Management and admin" centre	x	x	x

## B. Resulting costing with one-step allocation

	Lawn mowers (1 piece)	Small tractors (1 piece)	Service (1 hour)
<b>Direct costs</b>	<b>791.85 EUR/pc.</b>	<b>1,242.50 EUR/pc.</b>	<b>11.21 EUR/pc.</b>
Indirect costs - "Sales"	73.33 EUR/pc.	173.65 EUR/pc.	4.99 EUR/pc.
Indirect costs - "Rent"	69.12 EUR/pc.	131.95 EUR/pc.	1.23 EUR/pc.
Indirect costs - "Cantina"	51.24 EUR/pc.	97.83 EUR/pc.	0.91 EUR/pc.
Indirect costs - "Management and admin"	58.79 EUR/pc.	112.23 EUR/pc.	1.04 EUR/pc.
<b>Total indirect costs</b>	<b>252.48 EUR/pc.</b>	<b>515.66 EUR/pc.</b>	<b>8.17 EUR/pc.</b>
<b>Total costs</b>	<b>1,044.33 EUR/pc.</b>	<b>1,758.16 EUR/pc.</b>	<b>19.38 EUR/pc.</b>
<b>Profit</b>	<b>55.67 EUR/pc.</b>	<b>341.84 EUR/pc.</b>	<b>0.12 EUR/pc.</b>
Selling price	1,100.00 EUR/pc.	2,100.00 EUR/pc.	19.50 EUR/pc.
ROS	5.1%	16.3%	0.6%
<i>additional</i>			
<i>A. Indirect c. "Sales" by type of performance</i>	<i>374,000 EUR</i>	<i>252,000 EUR</i>	<i>66,300 EUR</i>

## C. Step-down allocation (=reallocation) of costs and their resulting costing per unit of output

### Reallocation of INDIRECT COSTS:

Departmental indirect cost before allocation	1st reallocation	Indirect cost after 1 st reallocation
	Service cost - Rent	

Sales	62,750.00 EUR	27,000.00 EUR	<b>89,750.00 EUR</b>
Rent	43,500.00 EUR	- 43,500.00 EUR	<b>- EUR</b>
Canteen	32,250.00 EUR	12,750.00 EUR	<b>45,000.00 EUR</b>
Management and admin	37,000.00 EUR	3,750.00 EUR	<b>40,750.00 EUR</b>
<b>Sum</b>			
	rate	750.00 EUR/m2	rate

	Lawn mowers (1 piece)	Small tractors (1 piece)	Service (1 hour)
<b>Direct costs</b>	<b>791.85 EUR/pc.</b>	<b>1,242.50 EUR/pc.</b>	<b>11.21 EUR/pc.</b>
Indirect costs - "Sales"	144.33 EUR/pc.	341.76 EUR/pc.	9.83 EUR/pc.
Indirect costs - "Rent"	0.00 EUR/pc.	0.00 EUR/pc.	0.00 EUR/pc.
Indirect costs - "Cantina"	0.00 EUR/pc.	0.00 EUR/pc.	0.00 EUR/pc.
Indirect costs - "Management and admin"	82.62 EUR/pc.	157.74 EUR/pc.	1.46 EUR/pc.
<b>Total indirect costs</b>	<b>226.96 EUR/pc.</b>	<b>499.49 EUR/pc.</b>	<b>11.29 EUR/pc.</b>
<b>Total costs</b>	<b>1,018.81 EUR/pc.</b>	<b>1,741.99 EUR/pc.</b>	<b>22.50 EUR/pc.</b>
<b>Profit</b>	<b>81.19 EUR/pc.</b>	<b>358.01 EUR/pc.</b>	<b>-3.00 EUR/pc.</b>
Selling price	1,100.00 EUR/pc.	2,100.00 EUR/pc.	19.50 EUR/pc.
ROS	7.4%	17.0%	-15.4%

**Total**

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x

**1057**

x

**631,939 EUR Allocation base**

418,329 EUR piece

38,110 EUR hours

62,750 EUR numer of offers made

43,500 EUR revenues

32,250 EUR revenues

37,000 EUR revenues

**Total**

**Notes**

**456,439 EUR**

62,750 EUR

A. rate =

59.37 EUR/offer

43,500 EUR

% rent =

6.28%

32,250 EUR

% canteen=

4.66%

37,000 EUR

% Admin=

5.34%

**175,500 EUR**

**631,939 EUR**

**60,361 EUR**

**692,300 EUR**

8.7%

2nd reallocation

**Indirect cost**

Service cost Canteen

**after 2nd reallocation**

	33,750.00 EUR	<b>123,500.00 EUR</b>
	- EUR	- EUR
-	45,000.00 EUR	- EUR
	11,250.00 EUR	<b>52,000.00 EUR</b>
	2,250 EUR/pers.	175,500.00 EUR

<b>Total</b>	<b>Notes</b>	
<b>456,439 EUR</b>		
123,500.00 EUR	rate	116.84 EUR/offer
- EUR		
- EUR		
52,000.00 EUR	rate	7.51%
<b>175,500.00 EUR</b>		
<b>631,939.00 EUR</b>		
<b>60,361.00 EUR</b>		
<b>692,300.00 EUR</b>		
8.7%		

# Profi s.r.o.

## A. Basic data

	<b>Audit</b>
Total invoiced performance per month	1,280 hours
Selling price	63 EUR/hour
Direct costs	29 EUR/hour
<b>Indirect costs</b>	
Indirect costs of the 'Facilities Management' centre	x
Indirect costs of the "IT" centre	x
Indirect costs of the "Operations" centre	x
Indirect costs of the "Admin" centre	x

## B. Resulting cost calculation with one-step allocation

	<b>Audit (1 hours.)</b>
<b>Direct costs</b>	
Indirect costs - "Facilities Management"	
Indirect costs - "IT"	
Indirect costs - "Operations"	
Indirect costs - "Admin"	
<b>Total indirect costs</b>	
<b>Total costs</b>	
<b>Profit</b>	
Selling price	
ROS	

## C. Multi-stage allocation (=reallocation) of costs and their resulting c

### Reallocation of DIRECT COSTS:

	Primary indirect cost
Facility management	
IT	
Operations	
Admin	
<b>Amount</b>	
	<b>Audit (1 hour)</b>
<b>Direct costs</b>	
Indirect costs - "Facilities Management"	
Indirect costs - "IT"	
Indirect costs - "Operations"	
Indirect costs - "Admin"	
<b>Total indirect costs</b>	
<b>Total costs</b>	
<b>Profit</b>	
Selling price	
ROS	

<b>Taxes</b>	<b>Total</b>	
560 hours	<b>1,840 hours</b>	
75 EUR/hour	x	
40 EUR/hour	x	
		<b>Allocation base</b>
x	6,000 EUR	direct costs
x	16,500 EUR	direct costs
x	21,500 EUR	invoiced hours
x	140,000 EUR	Sales
<b>Total indirect cost</b>	<b>184,000 EUR</b>	

<b>Tax (1 hour.)</b>	<b>Total</b>	<b>Notes</b>
4.0%		

**Costing per unit of output**

1st real stage	<b>Indirect cost</b>	2nd real stage	<b>Indirect cost</b>
Secondary - Facility	<b>after 1st real.</b>	Secondary - IT	<b>after the 2nd real.</b>
4.0%			

<b>Tax (1 hour)</b>	<b>Total</b>	<b>Note</b>
4.0%		