Cost Allocation Using Absorption Bases

$C := 100000$ Costs to be allocated

$n := 10$ Total number of cost objects

$i := 1 .. n$ Current number of cost objects

$A_1 := 1000$ Value of absorption base in cost object 1

$A_2 := 2500$ Value of absorption base in cost object 2

$A_3 := 7800$ Value of absorption base in cost object 3

$A_4 := 2500$ Value of absorption base in cost object 4

$A_5 := 2000$ Value of absorption base in cost object 5

$A_6 := 3000$ Value of absorption base in cost object 6

$A_7 := 5500$ Value of absorption base in cost object 7

$A_8 := 760$ Value of absorption base in cost object 8

$A_9 := 1800$ Value of absorption base in cost object 9

$A_{10} := 100$ Value of absorption base in cost object 10

$$\sum_i A_i = 26960$$ Total value of absorption base

$$C_i := \frac{C}{\sum_i A_i} \cdot A_i$$ Cost per cost object i

$C_i =$

3709.20
9273.00
28931.75
9273.00
7418.40
11127.60
20400.59
2818.99
6676.56
370.92

$$\sum_i C_i = 100000$$ Total costs allocated