Job Order Costing Based on the Factory as a Whole
- Using Direct Cost of Materials -

$dmc_A := 30$

$dmc_B := 32$

$dlc_A := 10$

$dlc_B := 8$

$DMC := 191000$

$DLC := 53000$

$OH := 322885$

$\frac{OH}{DMC} = 1.69$

$oh_A := \frac{OH}{DMC} \cdot dmc_A$

$oh_B := \frac{OH}{DMC} \cdot dmc_B$

$oh_A = 50.71$

$oh_B = 54.10$

$tc_A := dmc_A + dlc_A + oh_A$

$tc_B := dmc_B + dlc_B + oh_B$

$tc_A = 90.71$

$tc_B = 94.10$

Legend

Subscripts A, B for products

dmc	=	Direct cost of materials per unit
dlc	=	Direct cost of labour per unit
DMC	=	Direct cost of materials
DLC	=	Direct cost of labour
OH	=	Total overhead
oh	=	Overhead per unit
tc	=	Total cost per unit