



Creation of calculated price in custom manufacturing of furniture

Conference Wood and furniture industry in times of change

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Aim of article :

- to evaluate creation calculation of product in custom manufacturing of furniture
- to evaluate influence calculated price on expenses and profit in the firm



Present calculated price in the firm

Costs	v €
Direct material	727,26
Different material 20% surcharge	842,30
Overhead charges $k=2,5$	1090,89
Costs of product	2660,46



Calculation of order by job-order method

Structure of costs	v €
Direct material	1 429,18
Direct wage	286,00
Different direct costs 13,4%	38,32
Overhead charges	1 079,00
Total costs	2832,50



Comparison of calculation

Structure of cost	Calculation by index	Job-order calculation
Direct material	727,26	1 429,18
Direct wage		286,00
Different direct costs	842,30	38,32
Overhead charges	1090,89	1 079,00
Total costs	2660,46	2832,50



Results

- to use job- order calculation for kitchen unit, because this calculated price contains all actual cost of product,
- to reevaluate index of calculation, because this index must accept profit and all costs of product,
- to reevaluate system of cost evidence, to introduce new way of cost accounting, that it would allow more detail of individual expenses items, that it would allow new application of calculated price,
- to monitor prices on competitive market, demand and rate after products in furniture manufacturing.



Thank you for your attention