### Exhibit 5

## Accountant Production **Operator**

# Estimate "Job Cost Sheet"

- ➤ Identify variable costs (payroll and material)
- > Estimate the material required to complete the object
- > Estimate the amount of time needed to complete the task
- > Estimate the budgeted overhead

Budgeted Material or Supplies	Amount	Cost Per Item	Total \$
Design Layout	1	\$10,000	\$10,000
Pieces of Tape			
Total Budgeted Supplies			
Budgeted Labour or Payroll	Time Units	Cost Per Time Unit	Total \$
Builders		\$5,000	
Total Budgeted Payroll			
Support Cost (Admin. Overhead)	Volume of Cost Driver	Cost Per Unit of Cost Driver	Total \$
Builders			
Pieces of Tape			
Total Budgeted Support			

# Warehouse Manager

# Buy

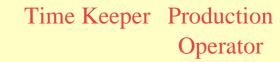
- > Complete the Material Requisition Form
- > Buy material from Warehouse Manager

Material Type	Amount	Cost Per Each	Total \$
Design Layout	1	\$10,000	\$10,000
Pieces of Tape		?	
Total Material Requisition			

15 seconds per unit of time.

(90 seconds = 6 unit)





# Build

- > Accountant get ready to track building time
- > Production operators please start building

Actual Direct Material	Amount	Cost Per Item	Total \$
Design Layout	1	\$10,000	\$10,000
Pieces of Tape		\$?	
Total Actual Material or Supply Cost			
Actual Direct Labor	Time Units	Cost Per Time Unit	Total \$
Builders		\$5,000	
Total Actual Payroll Cost			
Applied Overhead	Volume of Cost Driver	Cost Per Unit of Cost Driver	Total \$
Builders			
Pieces of Tape			
Total Actual Overhead			



## Evaluate

- > Calculate how much actual material was used and its respective cost
- > Compare actual cost to budgeted cost and the variance for material, labour and support

Category	Budget	Actual	Variance
Material & Supplies			
Direct Labour. or Payroll			
Overhead or Support			

What if someone built this product for us?

Round up to the nearest integer. (for example 63 Seconds = 4.2

units ≈ 5 units)



