CANADIAN WOOD PALLETS: IS IT A GOOD DEAL, EH? AN
UNDERGRADUATE CASE IN COST ACCOUNTING

Patrick O'Meara

BRC Journal of Advances in Education 4, no. 1 (2020): 97–104.
<https://dx.doi.org/10.15239/j.brcadvje.2020.04.01.ja07>

WEB APPENDIX

<https://dx.doi.org/10.15239/j.brcadvje.2020.04.01.wa07>

Case Information Tables

Table One

Model	Type	Size	Capacity (lbs.)	Forklift Access	Weight (lbs.)	Minimum Pricing		
						5 units	10 units	20 units
CWP-1070	New Wood	48"x40"	2,500	4—way	42	\$29 pu	\$28 pu	\$26 pu
CWP-850	Recycled	48"x40"	2,500	4—way	40	\$20 pu	\$19 pu	\$17 pu

Table Two

Direct Materials Costs ¹		
	New Wood Materials	Recycled Wood Materials
Top Boards	\$1.50 per board	\$1.30
Bottom Board	\$1.50	\$1.30
Support Blocks	\$.50 per block	\$.25 per block

Table Three

Divisional Budgeted Overhead	
Cutting	\$300,000
Assembly	\$500,000
Wood Treating	\$150,000
Total Manufacturing Overhead	\$950,000

Table Four

Service Department and Operating Department Data				
	Administration (employees)		Infor. Systems (system hours)	
Budgeted Overhead	\$200,000		\$150,000	
Administration		0%	200	33%
Information Systems	10	20		0
Cutting	10	20	100	17
Assembly	20	40	200	33
Wood Treating	10	20	100	17
Total	50	100%	600	100%

Table Five

Direct Labour Costs by Division			
	New Wood	Recycled	Total
Cutting	\$200,000	\$120,000	\$320,000
Assembly	250,000	225,000	475,000
Wood Treatment	100,000	50,000	150,000
Total	\$550,000	\$395,000	\$945,000

Table Six

Activity	New Wood		Recycled Wood	
Cutting	3,000	MH	2,000	MH
Assembly	20,000	DLH	17,000	DLH
Wood Treating	450,000	Treatments		

Case Figures

Figure One

Block Design

Source: <https://associated-pallets.co.uk/what-we-do/pallets-explained/>ⁱⁱ

ⁱ <http://www.canadianpallets.com/> (February, 2019)

ⁱⁱ <https://associated-pallets.co.uk/what-we-do/pallets-explained/> (February, 2019)