

P2W Skills for Success

Activity Set 17: Cost Calculations



www.pathwaytowork.ca

Funded by the Government of Canada's Adult Learning, Literacy and Essential Skills Program.

Canada

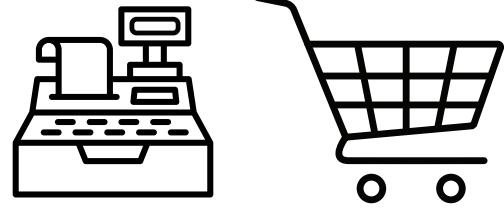
p2w
pathway
to work

ptp
Adult Learning and
Employment Programs

17.1: Getting Started

What?

Calculating costs may include several calculations.



Why?

To see the complete cost of items

Who?

- ✓ Servers calculate the cost of customers' orders.
- ✓ Office managers use order forms showing prices and applicable taxes when they restock office supplies.
- ✓ Accounts payable clerks check the accuracy of invoices before processing payments.

What's involved?

- Multiplying quantities and costs
- Calculating subtotals and totals
- Calculating taxes
- Calculating discounts

How about you?



List some situations when you have calculated costs.

1. _____
2. _____
3. _____
4. _____
5. _____

How comfortable are you using these skills?

I need a lot of practice

I'm very comfortable

1

2

3

4

5

6

7

8


9

10

17.2: Order Form A

(page 1 of 2)

Review the order form, then answer the questions below.

 HARVEST MARKETS: Platters			
CUSTOMER: <u>KAY WEGMAN</u>		DATE: <u>11/29/20</u>	TEL: <u>647-555-3236</u>
DESCRIPTION	SIZE	PRICE (incl. tax)	COST
FRUIT TRAY	<input type="checkbox"/> X-Large	\$44.00	
	<input checked="" type="checkbox"/> Large	\$36.00	
	<input type="checkbox"/> Regular	\$30.00	
VEG TRAY	<input type="checkbox"/> X-Large	\$42.00	
	<input type="checkbox"/> Large	\$34.00	
	<input checked="" type="checkbox"/> Regular	\$28.00	
MEAT PLATTER	<input type="checkbox"/> X-Large	\$40.00	
	<input type="checkbox"/> Large	\$34.00	
	<input type="checkbox"/> Regular	\$28.00	
MEAT AND CHEESE	<input type="checkbox"/> X-Large	\$40.00	
	<input type="checkbox"/> Large	\$34.00	
	<input checked="" type="checkbox"/> Regular	\$28.00	
CHEESE AND CRACKERS	<input type="checkbox"/> X-Large	\$40.00	
	<input type="checkbox"/> Large	\$34.00	
	<input type="checkbox"/> Regular	\$26.00	
ALL CHEESE PLATTER	<input type="checkbox"/> Large	\$44.00	
	<input checked="" type="checkbox"/> Regular	\$34.00	
		Subtotal	
		Delivery	\$ 8.00
		Total	
SPECIAL INSTRUCTIONS: Drop off to 138 Maytree Ave, side door. If no one is home, ensure trays are well-wrapped.			
PICKUP DATE & TIME: _____		DELIVERY DATE & TIME: <u>12/13/20</u> 12:00-3:00 PM	
ORDER TAKEN BY: <u>ALEX WALCYK</u>		PREPARED BY: <u>SANDY MCKAY</u>	


Let's Talk!

- Who do you think uses an order form like this?
- Why do they use it?

17.2: Order Form A

Refer to the order form to answer the questions below.

1. What size is the vegetable tray the customer is ordering?

2. How much does the meat and cheese platter cost that the customer ordered?

3. What is the most expensive item the customer is ordering?

4. What date is the order to be delivered?

5. Where should the order be delivered?

6. Who took down the customer's order?

7. Why is the pick-up date and time section left blank?

8. Fill in the costs, subtotal and total on the form.

17.3: Order Form B

(page 1 of 2)

Review the order form, then answer the questions below.

STATIONERY & SUPPLIES ORDER FORM					
For Business Mart orders only					
Page #	Item #	Description	QTY	Unit Price	Total
48	027-01	BOX LG. PAPER CLIPS	5	.80	
112	022-99	WRITING PADS – 8-1/2 X 11"	10	1.99	
141	961-03	FILE CABINET	1	269.90	
46	028-60	BOX PENCILS - MEDIUM	8	4.65	
				Delivery	5.00
				Subtotal	
				Tax	
				Total	\$

**Let's
Talk!**

Compare this order form with others you have seen.

- What are the similarities and differences?

17.3: Order Form B

Refer to the order form to answer the questions below.

1. What is the least expensive item on the order form?

2. How much does the file cabinet cost?

3. How many boxes of pencils are being ordered?

4. What page of the catalogue are the writing pads found on?

5. What is the item number for the paper clips?

6. Fill in the line totals and subtotal.

7. Calculate and fill in the sales tax and total. Use the sales tax rate that applies in your province or territory.

17.4: Invoices

Review the invoices, then answer the questions below.

Healthy Cupboard, <i>Healthcare Facilities' Supplies</i>				INVOICE 01975
Order date: December 7, 20__		Bill to account: Lakeview 011-3		
Code	Description	Qty	Price	Cost
012-1	antiseptic spray	3	23.50	70.50
012-4	disinfecting hand wash	4	30.21	120.84
016-4	large bandages		25.00	75.00
016-2	medium bandages	3		65.01
018-5	skin care lotion	4	17.06	68.24
016-1	small bandages	5	17.00	85.00
			TOTAL	

Healthy Cupboard, <i>Healthcare Facilities' Supplies</i>				INVOICE 01980
Order date: December 14, 20__		Bill to account: Lakeview 011-3		
Code	Description	Qty	Price	Cost
012-1	antiseptic spray	2	23.50	47.00
012-4	disinfecting hand wash	3	30.21	90.63
016-4	large bandages	3	25.00	75.00
016-2	medium bandages	3		65.01
018-5	skin care lotion	5	17.06	85.30
016-1	small bandages	4	17.00	68.00
			TOTAL	\$430.94

Healthy Cupboard, <i>Healthcare Facilities' Supplies</i>				INVOICE 01986
Order date: December 24, 20__		Bill to account: Lakeview 011-3		
Code	Description	Qty	Price	Cost
012-1	antiseptic spray	3	23.50	70.50
012-4	disinfecting hand wash	4	30.21	120.84
016-4	large bandages	5	25.00	125.00
016-2	medium bandages	3		65.01
018-5	skin care lotion	4	17.06	68.24
016-1	small bandages		17.00	119.00
			TOTAL	\$568.59

Let's Talk!

- Can you think of occupations in which workers prepare invoices?
- Who do you think reviews completed invoices?
- What purpose do invoices serve at work?
- What are the similarities and differences between order forms and invoices?

17.4: Invoices

Refer to the invoices to answer the questions below.

1. What is the total amount of the December 7 invoice?

2. On December 7, how many packages of large bandages were ordered?

3. How much does one package of medium bandages cost?

4. On December 24, how many small bandages were ordered?

5. As a holiday offer, Healthy Cupboard plans to give Lakeview a 10% discount on the December 24 invoice. Calculate the discount Lakeview will receive.

6. On January 1st, the cost of antiseptic spray will decrease by \$5. How much will it cost to purchase 4 antiseptic sprays in January?

7. On January 1st, the cost of large bandages will increase by 20%. How much will one package cost in January?

17.5: Discounts and Taxes

Discounts and taxes

Discounts are often expressed as percentages. For example, sale prices are often displayed as a percentage off the regular price.



Tax rates are always expressed as percentages.

What are percentages?

Percent means out of 100 or “for every 100”.

So, a 50% discount means that you save \$50 on every \$100.

And, a 15% tax rate means that you need to pay \$15 dollars in taxes for every \$100 you spend.

How do you calculate discounts and taxes?

1. Convert the percentage to a decimal by either dividing the percent by 100 or by moving the decimal two places to the left.
2. Multiply the cost of the item by the decimal value. The result is the amount of the discount or the amount of the taxes.

Example:

The regular price of safety boots is \$160 and they are on sale for 30% off. The tax rate is 12%.

Here's how you calculate the sale price:

1. Convert the percentage to a decimal.	$30\% = .3$
2. Multiple the regular price by the decimal value to figure out the amount of the discount.	$\$160 \times .3 = \48
3. Subtract the amount of the discount from the regular price to calculate the sale price.	$\$160 - \$48 = \$112$
Sale price	\$112.00

Here's how you calculate the total with taxes:

1. Convert the percentage to a decimal.	$12\% = .12$
2. Multiple the sale price by the decimal value to figure out the amount of the taxes.	$\$112 \times .12 = \13.44
3. Add the amount of the taxes to the sale price to get the total	$\$112 + \$13.44 = \$125.44$
Total with taxes	\$125.44

17.5: Discounts and Taxes

1. Practise converting percentages to decimals by completing the table below.

	Percentage	Decimal		Percentage	Decimal
a)	10%		f)	4%	
b)	20%		g)	8%	
c)	40%		h)	25%	
d)	80%		i)	42%	
e)	100%		j)	92%	

2. Calculate the discounts and the sale prices.

	Item	Cost	Discount	Amount of discount	Sale price
a)	Desk	\$218	10%		
b)	Chair	\$159	25%		
c)	File cabinet	\$369	5%		
d)	Bookshelf	\$112	40%		


3. Calculate taxes and the totals including taxes.

	Item	Cost	Tax Rate	Taxes	Total including taxes
a)	Box of paper	\$64	10%		
b)	Printer ink	\$55	8%		
c)	Set of notebooks	\$29	14%		
d)	Binder clips	\$6.20	15%		

17.6: Restaurant Bill

Work with a partner. Take turns playing the role of the customer and the role of the server.

- **Customer:** Review the menu and place your order.
- **Server:** Fill in the bill on the previous page and make the necessary calculations.

 Mother's Kitchen 258 Main Street South	<i>home cookin' away from home</i>
<p>Soup</p> Soup of the day3.50 *Homemade chicken noodle4.25 Vegetable soup3.75 Cream of mushroom4.25 Clam chowder4.75	<p>Sandwiches</p> <i>All sandwiches come with coleslaw and pickle</i> Ham on rye6.75 Tuna salad.....6.75 Chicken salad.....6.75 Salmon salad7.25 *Turkey club7.50
<p>Salad</p> Caesar salad(s) 4.50(l) 7.75 Garden salad.....(s) 4.25(l) 7.50 Potato salad5.75 *Chef's salad8.25 Mixed greens with cheese, ham and croutons	<p>Desserts</p> Blueberry cheesecake5.25 *Apple Pie4.75 Ice cream <i>strawberry, chocolate or vanilla</i> 1 scoop2.75 2 scoops3.50
<p>Snacks</p> French fries (s) 2.75 (m) 3.50 (l) 5.25 Onion rings 3.75	<p>Beverages</p> Soft drinks.....2.50 Water.....2.50 Coffee2.00 Tea2.00
<p>* Mother's specialties</p>	