

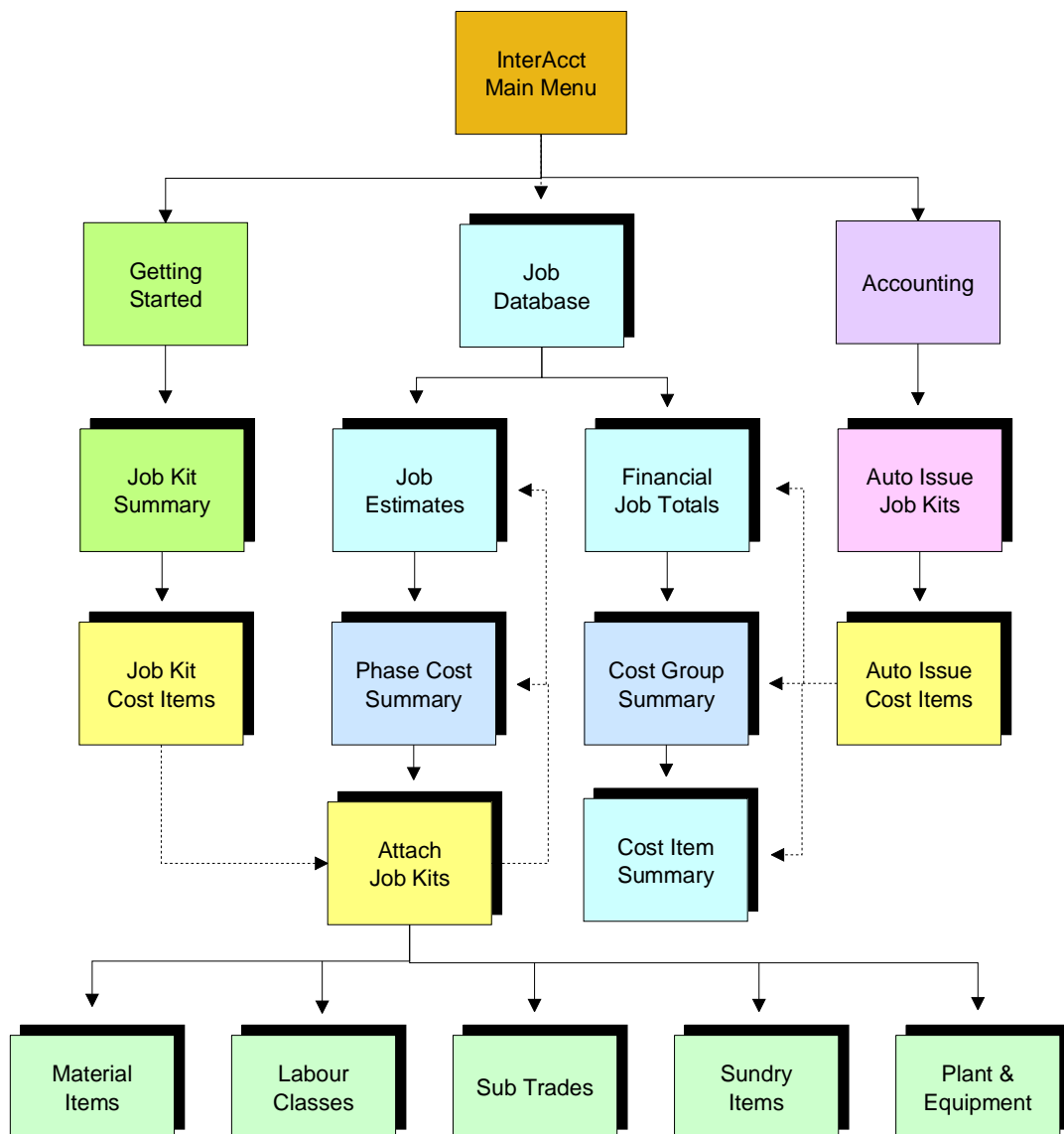
# Job "Kit" Costing



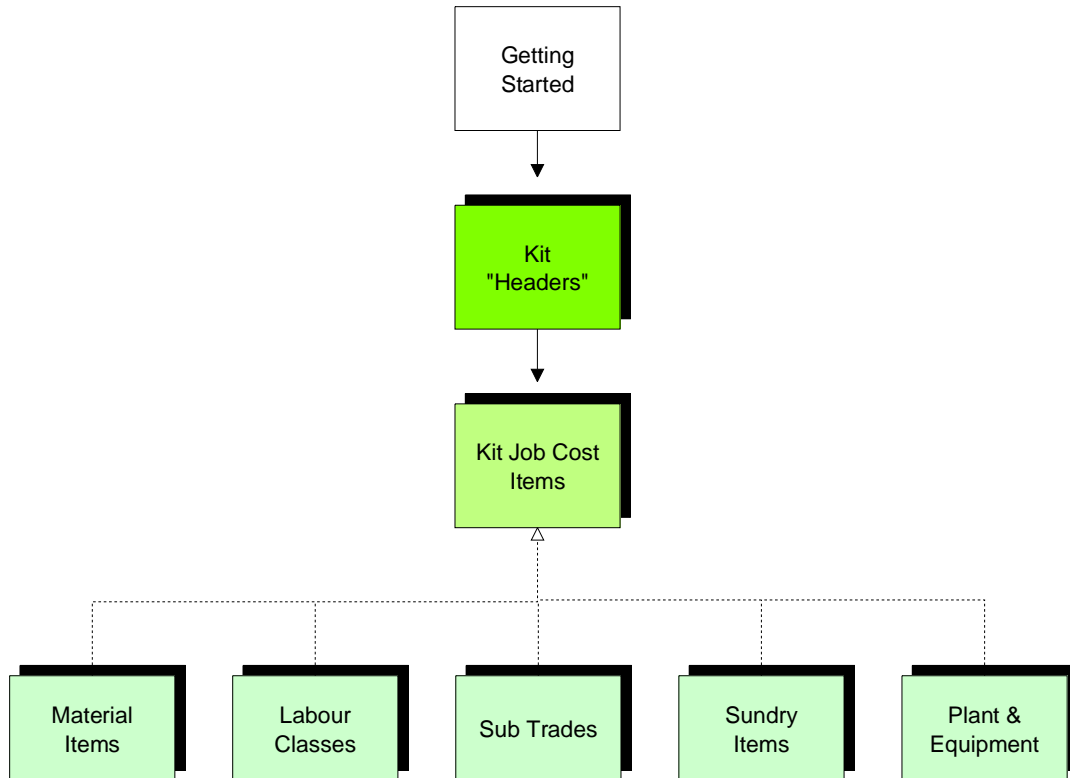
**InterAcct**  
SOFTWARE PTY LTD

One of the optional modules with InterAcct Software is called "Kit Costing". It relates to the Job Costing & Estimating systems. A new enhancement to this module provides an automatic 'issue' of kit cost items to a job.

A "kit" can be described as a mini "Bill of Materials". It is a list of all the costs associated with completing a certain job task. This 'task' is a section of work or standard work activity. This standard kit is therefore a template of the costs to make or complete the task. Typically a job is made up of several tasks (kits), which might then be grouped into "Phases".



# Creating the Kit



## Getting Started Steps :

- Create your Stock (Materials) Database of items
- Define your different Labour “Classes” (eg Leading Hand, Tradesperson, etc.)
- Set up your different Sub Contractor categories
- Set up the Sundry Cost items (non stock items – freight, sealants, etc.)
- Set up any Plant & Equipment you use on jobs (internal hire to jobs)

## Create your Kits :

- Add your Job “Kits” – a segment of work - a work task
- Add all the cost items required to complete that Job Kit – quantity required

InterAcct will now copy in your latest costs for each item, and the normal profit markup to calculate the sell price.

The Kit **unit of measure** might be per linear metre, per each, per square metre, etc.

# Creating the Kit

InterAcct Demo - [JOB WORK ACTIVITIES - display ]

File Record Edit View Go Advanced Menu Graph Design Help

Kit Id: TRAFFIC-POST-4.1M \*Per: EACH  
 \*Description: Supply/Install Traffic Signal Post, 4.1M, No Base

Lab Hrs #	5.25	Lab Sell \$	446.25
Lab Cost \$	157.50	Subbies \$	0.00
Subbies \$	0.00	Materials \$	86.69
Materials \$	59.76	Sundries \$	210.00
Sundries \$	175.00	Machines \$	12.50
Machines \$	5.50	Overhead \$	15.75
Overhead \$	15.75	Tot Sell \$	771.19
Tot Cost \$	413.51	GST \$	0.00
Profit \$	357.68	Inv For \$	771.19
Margin %	46.38		

**Menu**

1. Job Cost Items
2. Work Instructions
3. Product Items
4. Cost Groups/Items
5. Suppliers
6. Clients
7. Jobs
8. Copy Work Task

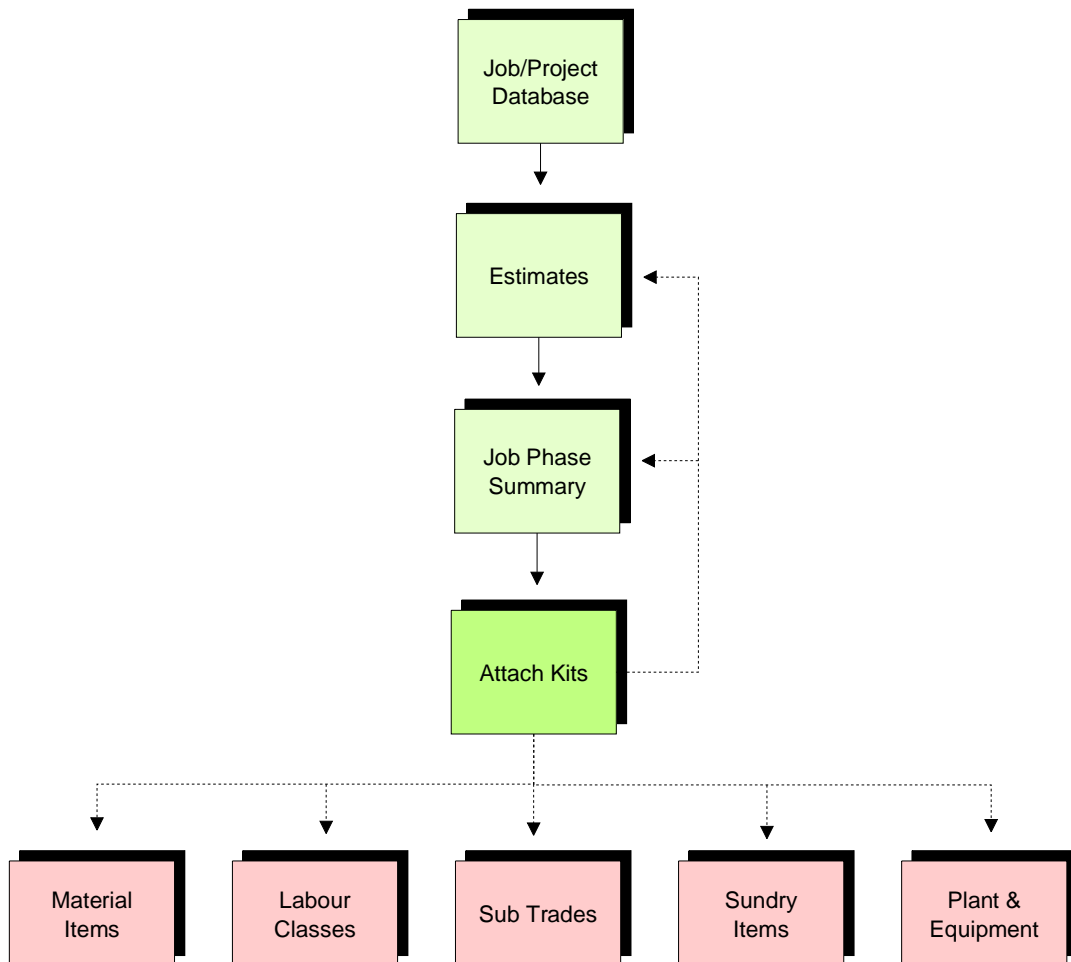
**COST ITEMS list , Supply/Install Traffic Signal Post, 4.1M, No Base, EACH**

	Incl	Group	Description	Units	Qty #	Cost \$	Sell \$	Profit \$	Margin %	Available #	Comments
1	I	STEEL	12MM SQUARE - 6M LENG	EACH	1.000	23.55	34.15	10.60	31.04 %	355	
2	I	STEEL	Flat Bar Steel 75*10	METRE	2.000	29.09	43.64	14.55	33.34 %	85	
3	I	LABOUR	Tradesperson	HOURL	5.250	173.25	462.00	288.75	62.50 %		
4	I	MACHINES	Lathe, Mill Drill AL-60M	MAC-HO	0.500	5.50	12.50	7.00	56.00 %		
5	I	SUNDRY	Finial	EACH	1.000	145.00	174.00	29.00	16.67 %		
6	I	SUNDRY	Cembextra	EACH	1.000	30.00	36.00	6.00	16.67 %		
7	I	BOLTS/NUT:	Bolt Unc 5/16 X 1-1/4 Gra	EACH	8.000	7.12	8.90	1.78	20.00 %	55	
						413.51	771.19	357.68	46.38 %		

## Notes :

- Here you can see the two main screens associated with the creation of a Kit
- The first screen is really just the heading, and also shows a \$ summary
- The kit can have two units of measure.
- Kit cost items are normally “included”, but you can also list those cost items that have been now Excluded, or that are Options.
- Indirect overhead can be calculated automatically as well
- Once a kit has been created, it can then be used as basis to Copy to create a new kit under a new name (and once created, modified to suit)

# Job Cost – Kit Estimating



## Notes :

- Kits can be used when creating a Job Estimate – for what becomes “semi-automatic” estimating.
- It is an option to ‘manually’ entering Cost Items
- The standard kit is copied to the job, and then multiplied by the job quantity pertaining to that kit.
- Then, the individual Cost Item files are updated automatically, along with the estimate summaries – in total, and by Phase.
- You can make ‘manual’ changes to the automatic posting to Cost Items – in terms of the quantity required, or the composition of the Cost Items.

# Job Cost – Kit Estimating

InterAcct Demo - [ESTIMATE HEADINGS - display , Repair Existing Road and Extend 112 Metres, CIVIL, Bribe, OPTION01]

File Record Edit View Go Advanced Menu Graph Design Help

Phase: 02.PITS \*Description: Pits & Ducting  
Prospect Id: SUNSHISU Business Name: Sunshine Coast Council

Lab Hrs #	64.300	Lab Sell \$	5,002.89	Status	EST-NEW
Lab Cost \$	1,798.90	Subbies \$	1,258.40	Size M2 #	10.00
Subbies \$	1,044.00	Materials \$	7,545.90	Cost \$ M2	1,015.81
Materials \$	6,009.42	Sundries \$	565.20	<b>Menu</b>	
Sundries \$	471.00	Machines \$	1,114.00	1. Direct Labour	
Machines \$	608.00	Overhead \$	226.75	2. Materials - Products	
Overhead \$	226.75	Tot Sell \$	15,713.14	3. Subbies - Job Costs	
Tot Cost \$	10,158.07	GST \$	1,571.31	4. Sundry Costs	
G/Profit \$	5,555.07	Inv For \$	17,284.45	5. Machine Costs	
Margin %	35.35	Quoted		6. Quick Estimate Input	
				7. Attach Kits	
				8. Estimate Notes	
				9. Quote Lines	
				10. Print : Phase Estimate	
				11. Copy Phase to Phase	

Quote \$: 0.00  
Option Markup  N  
Markup %: 0.0000  
Phase Markup ?  N  
Copy Cost Items ?  N

Labour  
Materials  
Trades  
Sundries  
Equipment

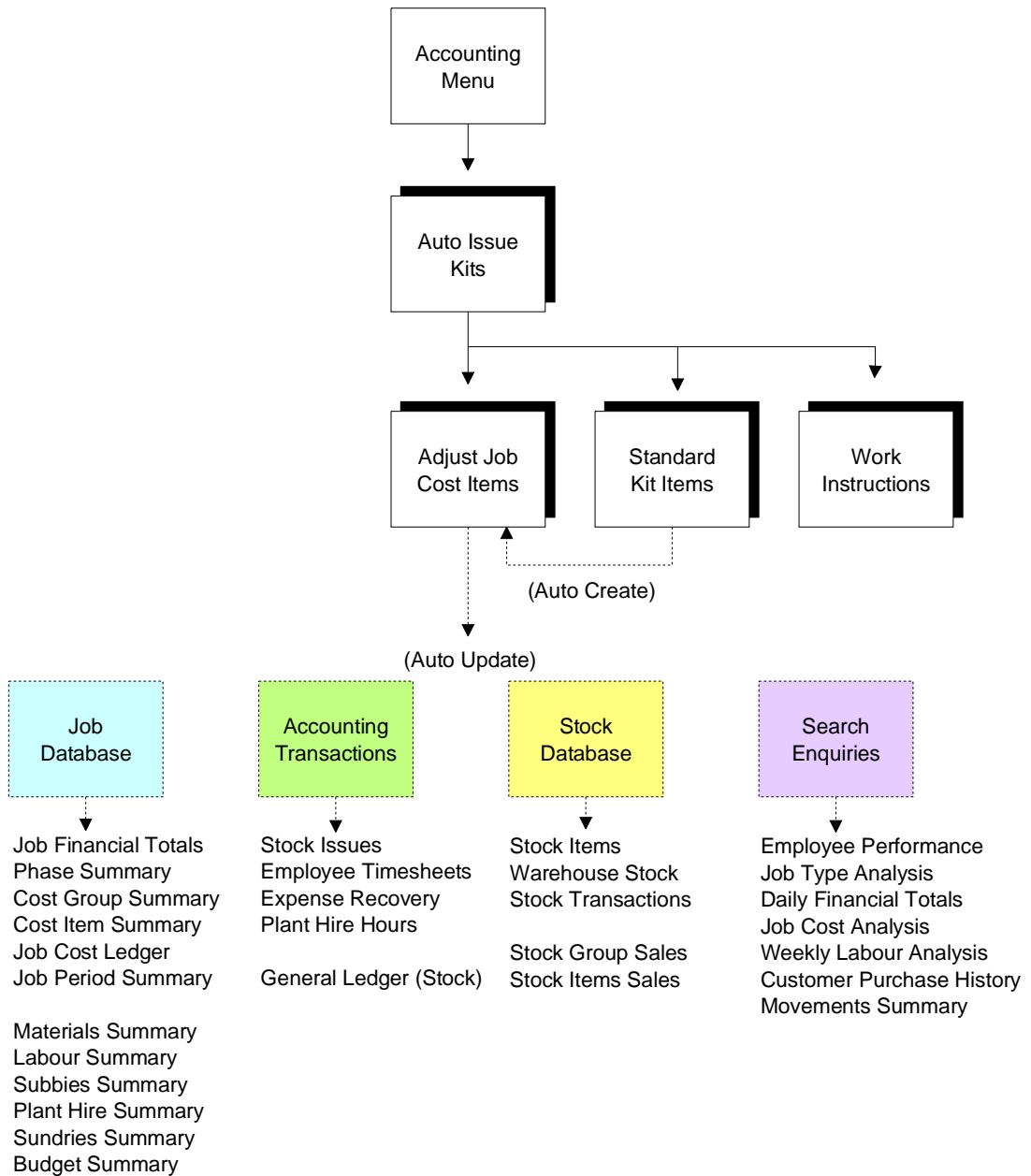
ATTACH KITS TO ESTIMATE list , Repair Existing Road and Extend 112 Metres, CIVIL, Bribe, OPTION01, OPTION01, Pits ...

Kit Id	Ref No	*Per	Bud Qty #	Tot Cost \$	Tot Sell \$	Margin %	Comments
1 NEW-KIT	6003	M2	4.000	367.80	618.08	40.49	
2 TRAFFIC-POST-4.1M	6003-1	EACH	2.000	827.02	1,542.37	46.38	
				1,194.82	2,160.45		

## Notes :

- One job can have several estimates
- Each estimate can be broken down into any number of “Phases”
- The create an estimate for a Phase, you can either –
  - (i) input the cost items separately by Type (eg. Materials, Labour, etc.), or
  - (ii) by Kit (menu 1), or
  - (iii) in a combined Cost Item file (menu 2).
- In this example, only one kit has been used so far. This has automatically posted to the Cost Item files, the Phase Summary, and the Estimate Total screen.
- If you make changes to the standard kit of Cost Items (for this job), the revised kit cost can be saved in your Kit Library as a new Kit.
- If you subsequently win the job, the estimate (and all the Cost Items) can be automatically copied into the Job’s Budget – and from there you can automatically create Pro Forma Purchase Orders for the net quantity of Materials required.

# Automatic Kit Issues



# Automatic Kit Issues

InterAcct Demo - [AUTO KIT ISSUES TO JOBS - display , Repair Existing Road and Extend 112 Metres, CIVIL, Bribi]

File Record Edit View Go Advanced Menu Graph Design Help

Date: 31-May-2010 Job No: 100001 L/E: 01 Ref No: 600003  
 Phase: 01.MAIN \*Per: EACH  
 Kit Id: TRAFFIC-POST-4.1M Markup?: K Markup %: 86.50  
 \*Description: Supply/Install Traffic Signal Post, 4.1M, No Base W/House: HO

Lab Hrs #: 10.500 Kit Qty #: 2.000  
 Tot Cost \$: 827.02 Diff %: 1.00  
 Overhead \$: 31.50 Quantity#: 2.000

Tot Sell \$: 1,542.37  
 Profit \$: 715.35  
 Margin %: 46.38

GST \$: 154.24  
 Inv For \$: 1,696.61

Menu  
 1. Amend : Job Cost Kit Items  
 2. View : Std Cost Items  
 3. Input : Work Instructions  
 4. Standard Work Instructions  
 5. Setup : Product Items  
 6. Setup : Cost Groups/Items  
 7. Setup : Suppliers  
 8. View : Job Details

ISSUE KIT ITEMS list , Repair Existing Road and Extend 112 Metres, CIVIL, Bribi, Supply/Install Traffic Signal Post, 4.1M, No Base, EACH

Incl	Group	Description	Units	Rate \$	Reqd Qty #	Tot Cost \$	Tot Sell \$	Profit \$	Comments
1	I	STEELMATE 12MM SQUARE - 6M LEN	EACH	23.550	0.000	47.10	68.30	21.20	
2	I	STEELMATE Flat Bar Steel 75*10	METRE	14.546	0.000	58.18	87.27	29.09	
3	I	LABOUR Tradesperson	HO	30.000	0.000	346.50	923.99	577.49	
4	I	MACHINES Lathe, Mill Drill AL-60M	MAC-HO	11.000	0.000	11.00	25.00	14.00	
5	I	SUNDRY Finial	EACH	145.000	0.000	290.00	348.00	58.00	
6	I	SUNDRY Cembextra	EACH	30.000	0.000	60.00	72.00	12.00	
7	I	BOLTS/NUT: Bolt Unc 5/16 X 1-1/4 Gr.	EACH	0.890	0.000	14.24	17.81	3.57	
						827.02	1,542.37	715.35	

## Notes :

- As an alternative to entering your Job Costs individually by transaction type, you can elect to use your Kit Cost to automatically post 'actual' costs against the job.
- You can define the quantity of a kit issued to a job, as of a certain date.
- Depending on the "Degree of Difficulty" of the task, you can increase the standard quantities (and therefore costs). It is normally set at "1".
- The automatically Kit Issue will draw down the materials required (used) from stock, and if insufficient, will create a Backorder (Required to Purchase)
- For your own direct labour, it will show a summary of what standard labour hours have been calculated – so you can compare to the actual hours worked.

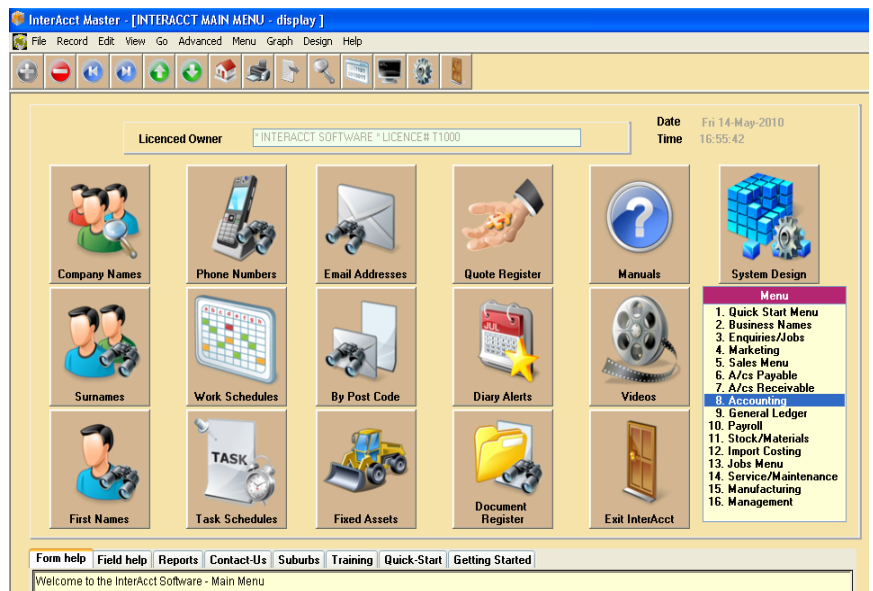
# Advantages Summary

The Job Cost Kit software module advantages are –

1. It allows your Head Estimator person to create your **accurate standards**, that everyone can then use (even Novices).
2. It dramatically speeds up your estimating process, and **reduces the risk** of leaving out Cost Items by mistake.
3. The new Kit Issue feature again **speeds up the input** of your accounting transactions. It allows you to compare your standard quantities (costs) with actual, and thereby allows you to refine your standard kit costing.

## InterAcct in a “Nut Shell”

- ✓ Established 1983
- ✓ Data input only once
- ✓ Low Cost Software Changes
- ✓ Australian Designed/Owned
- ✓ Extremely simple to use
- ✓ Powerful Management info
- ✓ Deal Direct with the Authors
- ✓ Competitive Hourly Rates
- ✓ Experienced Support People
- ✓ Practical software features to assist Managers run a business more profitably !



## Winners : Australian Small Business Award

Please contact –

*Clive Rainbow*

Director, Sales & Marketing

InterAcct Software Pty Ltd

Toll Free Ph : 1300 66 26 26

Suite 202, 2<sup>nd</sup> Floor, Building C

14 Rodborough Road , Frenchs Forest NSW 2086

Email : [sales@interacct.com.au](mailto:sales@interacct.com.au)

Web : [www.interacct.com.au](http://www.interacct.com.au)