

Direct Costs		Basis of Allocation			Results			
		A	B	C	A	B	C	Total
Salaries	420							
Employee Entitlement	280							
Payroll Tax	170							
Fringe Benefit tax (160							
Superannuation	180							
Work Cover	125							
Consultancies	85							
Training	80							
Travel and Subsistence	25							
Postal and Telephone	20							
Motor Vehicles	105							
Total	1,650							

Option 1: Simple Apportionment

Indirect Costs		Basis of Apportionment			A	B	C
Finance	250						
Personnel	250						
ITC	150						
General Management	250						
Depreciation	500						
Buildings	100						
Total	1,500						

Option 2: Using multiple cost drivers

Indirect Costs		Basis of Apportionment			A	B	C
		Allocation Base as the 'Cost Drivers'					
Finance	250	No. of Outputs					
Personnel	250	No. of Staff					
		No. of lines					
ITC	150	processed					

General	No. of Software				
Management	250 Applications				
Depreciation	500 Assets Used				
Buildings	100 Floor Space				
Total	1,500	0	0	0	0

With Option 1

Item: Direct Costs	A	B	C	Total
Direct				
Indirect				
Total				

With Option 2

Item: Direct Costs	A	B	C	Total
Direct				
Indirect				
Total				

Differences Between Options 1 and 2
