**SOFTWARE DEVELOPMENT COST**

1. **Hardware Depreciation Cost**

Assembled Computer Package Php 18,000.00

Intel Core i3 Processor Php 4, 200.00

EMAXX Motherboard 2, 500.00

4GB RAM 1666mHz 1, 200.00

500 GB WD Elements Hard drive 1, 500.00

21” WXGA AOC Monitor 3, 000.00

52x24x52x Asus CD-RW Optical Drive 2, 300.00

Logitech Speaker 1, 950.00

Tower Casing 600.00

Logitech Mouse (Ordinary) 350.00

Logitech Qwerty Keyboard 400.00

Canon Scanner 3, 600.00

EPSON InkJet Printer 3, 400.00

Canon Digital Camera 1, 350.00

**Total Hardware Cost Php 26, 350.00**

Hardware Cost : Php 26, 350.00

Life Expectancy : 5 years

Development Period : 2 months

Salvage Value = [(Hardware Cost / Life Expectancy) \* Development Period] / 12

= [(26, 350.00 / 5) \* 2] / 12

**= 878.33**

Annual Depreciation Cost = (Hardware Cost – Salvage Value) / Life Expectancy

= (26, 350.00 – 878.33) / 5

**= 5, 094.33**

Monthly Depreciation Cost = Annual Depreciation Cost / 12

= 5, 094.33/ 12

**= 420.5**

**Hardware** **Depreciation** **Cost** = Monthly Depreciation Cost \* Development Period

= 420.5 \* 2

**= 841.00**

1. **Software Depreciation Cost**

Microsoft Windows 10 Home Php 4, 500.00

Microsoft Office 2016 Professional Edition 4, 000.00

Microsoft Visual Studio Code 2017 0.00

Adobe Photoshop CC 2015 3, 500.00

**Total Software Cost Php 12, 000.00**

Software Cost : Php 12, 000.00

Life Expectancy : 5 years

Development Period : 2 months

Salvage Value = [(Software Cost / Life Expectancy) \* Development Period] / 12

= [(12, 000 / 5) \* 2] / 12

**= 400.00**

Annual Depreciation Cost = (Software Cost – Salvage Value) / Life Expectancy

= (12, 000 – 400) / 5

**= 2, 320.00**

Monthly Depreciation Cost = Annual Depreciation Cost / 12

= 2, 320.00/ 12

**= 193.33**

**Software** **Depreciation** **Cost** = Monthly Depreciation Cost \* Development Period

= 193.33\* 2

**= 386.66**

1. **Labor Cost**

Programmer/System Analysts (per Head) : Php 10, 000.00 /Month

Development Period : 2 Months

**Labor** **Cost** = Developer’s Fee \* 2

= 10, 000.00 \* 2

**= Php 20, 000.00**

1. **Miscellaneous Cost**

2 ream Letter-sized bond paper (125.00 per ream) Php 250.00

3 pieces Black HBW ballpen 15.00

Others (Folders, paper clips, photocopies, transportation, food, etc) 2, 000.00

**Total Miscellaneous Cost Php 2, 015.00**

1. **Overhead Cost**

1st Month - Electric Bill (August 2018) Php 489.89

2nd Month Month - Electric Bill (September 2018) 313.56

**Total Overhead Cost Php 803.45**

1. **Summary**

|  |  |
| --- | --- |
| **Category** | **Cost** |
| Hardware Depreciation Cost | 841.00 |
| Software Depreciation Cost | 386.66 |
| Labor Cost | 20,000 |
| Miscellaneous Cost | 2, 015.00 |
| Overhead Cost | 803.45 |
| **Total Development Cost** | **24, 046.11** |