

# S03.02-IS-01-R112

## Cost of Sales

Cost of sales is split in

- variable (proportional) costs
- fixed (non-proportional) costs, and
- depreciation costs

Note that due to the use of Standard cost at WP1 companies, not all headings apply for PF1 companies: See table in [HERE](#)

### I. General principles

1. [Regulatory framework and definitions](#)
2. [Variable selling expenses](#)
3. [Proportional costs of sales](#)
4. [Non-proportional costs of sales](#)
5. [Other costs on activities](#)
6. [Miscellaneous production](#)

### II. Specific points

1. [Example of the calculation of non-proportional production costs for a multi-products workshop](#)
2. [Valuation of by-products, waste, and recyclable products](#)
3. [WCM procedure to calculate OEE](#)
4. [Standard costing](#)
  - a. [Standard fixed cost](#)
  - b. [Normal capacity](#)