

**Cost Statement in support of an Application for
Certificate of Origin Form A for Export to Countries other than Canada
(For products with a cost content requirement in Hong Kong origin rules)**

1. Name of Manufacturer : _____
2. Description of Product : _____
3. Period when the above product being manufactured : _____
4. Unit : per piece*/per dozen*/per set*/per _____
(*please delete as appropriate or specify the unit)
5. Rules of Origin (same as declared in para. 5 of the manufacturer' s page on Form A application)

6. Raw Materials/Parts Consumed

(a) Raw Materials/Parts originated in Hong Kong

Description of Raw Materials/Parts	Unit Price (HK\$)	Quantity Consumed	Cost of Raw Materials/ Parts per unit (HK\$)
Total :			

(b) Raw Materials/Parts not originated in Hong Kong

Description of Raw Materials/Parts	Country of Origin	Unit Price (HK\$)	Quantity Consumed	Cost of Raw Materials/ Parts per unit (HK\$)
Total :				

7. Direct Labour Cost

(a) Hong Kong cost content attributable to direct labour

Manufacturing Processes	Cost of Raw Materials/ Parts per unit (HK\$)
Total :	

(b) Non-Hong Kong cost content attributable to direct labour (e.g. approve outward processing)

Manufacturing Processes	Labour Costs/ Parts per unit (HK\$)
Total :	

8. Factory Overhead per unit : HK\$ _____

(Illustration on calculation of factory overhead obtainable from Certification Branch of Trade and Industry Department, 3/F of Trade and Industry Department Tower.)

9. Total Hong Kong Cost Content : _____ (Items 6(a) + 7(a) +8)

10. Total Cost Content : _____ (Items 6+7+8)

11. Percentage of Hong Kong Cost Content : _____ %

$$\frac{\text{Item 9}}{\text{Item 10}} \times 100\%$$

12. Profit derived from the Product per unit : HK\$ _____

13. Ex-factory value of finished product per unit : HK\$ _____
(Items 10+12, please also see # below)

14. Percentage of the value of the non-originating materials and parts over the ex-factory value of the finished product :
HK\$ _____.

$$\frac{\text{Item 6(b)}}{\text{Item 13}} \times 100\%$$

15. Total value of the materials and parts used per unit : HK\$ _____
(Item 6(a) + 6(b))

16. Percentage of the value of the originating materials and parts over the value of all materials and parts used : _____ %

$$\frac{\text{Item 6(b)}}{\text{Item 15}} \times 100\%$$

17. Manufacturer's Declaration

I _____, on behalf of _____
(Name)

(Business name & address)

hereby declared that the above is a true statement on the origin and costs of raw materials/parts, labour costs and factory overhead used for the manufacture of the goods mentioned in Item 2 above during the period specified at Item 3 as declared in the attached application for Certificate of Origin Form A. Documentary evidence in support of the information contained in this statement are available for verification by authorized officers of the Trade and Industry Department or the Customs and Excise Department.

Date

Signature and Business Chop @

Note : Please use additional sheets if space is inadequate.

Ex-factory value of finished product is the price paid to the manufacturer in whose undertaking the last working or processing is carried out, provided the price includes the value of all the materials used in manufacture, less any internal taxes which are, or may be, repaid when the product obtained is exported.

@ The signatory should be an authorized signatory in the Factory Registration.

Warning : The penalty for making a false declaration in respect of a Certificate of Origin Form A is HK\$500,000 and two years' imprisonment.

Specimen Costing

Name : A.B.C. Co.

Address : _____

Statement of Unit Costs in respect of the following Lines Manufactured during the period 19 February 1992 to 8 March 1992.

<u>Line No.</u>	<u>A123</u>	<u>246</u>	<u>369</u>
<u>Description</u>	<u>Plastic/iron</u>	<u>Chrome plated</u>	<u>Chrome plated</u>
<u>Cost Unit - One dozen</u>	<u>egg slicer</u>	<u>iron tray</u>	<u>steel serving tray</u>
	<u>(HKS)</u>	<u>(HKS)</u>	<u>(HKS)</u>
<u>Hong Kong Cost</u>			
<u>Direct Labour</u>			
Cutting	1.20	3.00	9.50
Pressing	1.60	5.00	14.30
Moulding	2.00	-	-
Assembling	1.80	-	-
Packing	0.60	3.00	0.80
Electro-plating by S/C (AA Electro-plating Fty. Ltd)	-	15.80	20.20
Total	<u>7.20</u>	<u>26.80</u>	<u>44.80</u>
* Factory Overheads - 35%	<u>2.52</u>	<u>9.38</u>	<u>15.68</u>
<u>Total Hong Kong Cost</u>	<u>9.72</u>	<u>36.18</u>	<u>60.48</u>
<u>Non-Hong Kong Cost</u>			
<u>Raw Materials Consumed</u>			
Plastic Moulding Compound (Japan) \$3.60/lb	(1 lb) 3.60	-	-
Iron Sheet (Japan) \$4.40/lb	(1 lb) 4.40	(10.75 lb) 29.02	-
Steel Sheet (Japan) \$2.60/lb	-	-	(12.50 lb) 32.50
Total Non-Hong Kong Cost	<u>8.00</u>	<u>29.02</u>	<u>32.50</u>
<u>Total Hong Kong & Non-Hong Kong Cost</u>	<u>17.72</u>	<u>65.20</u>	<u>92.98</u>
<u>Hong Kong Content</u>	<u>54.85%</u>	<u>55.49%</u>	<u>57.95%</u>

*** Factory overheads or burden during the period
1 February 1992 to 28 February 1992**

Non-productive factory labour	18,350.00
Factory Rent & Rates	11,620.00
Medical expenses for workers	118.50
Electricity and water	948.52
Telephone, telegram and postage	827.63
Repairs to and renewal of machinery	706.50
Actual expenditure during the period	<u>32,571.15</u>
Total Direct wages incurred during the period	<u>81,346.40</u>
Percentage of factory overheads to direct labour	40%
Applied to costings	35%

Non-productive factory labour

<u>Status</u>	<u>Monthly earning</u>	<u>Number employed</u>
Manager	\$7,000.00	1
Foremen	\$3,000.00	2
Accountant	\$5,350.00	1