OPER1401 Formula Sheet Term Test #2

Total Cost = $\left(\frac{D}{Q}\right) S + \left(\frac{Q}{2}\right) H$

Total Cost = $\left(\frac{D}{Q}\right) S + \left(\frac{Q}{2}\right) H + (P \times D)$

EQO = $\sqrt{\frac{2DS}{H}}$

Average Inventory = $\frac{Q}{2}$

Number of orders per year: N = $\frac{D}{Q}$

Days between orders: T = $\frac{\text{Number of days per year}}{\text{Number of orders per year}}$

Re-order Point = $d \times L$

d = $\frac{D}{\text{Number of days per year}}$