

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 1) In process costing, the cost for direct materials, direct labour and manufacturing overhead are assigned to each job. 1) _____
- 2) In process costing, a separate work in process inventory account is maintained for each process. 2) _____
- 3) Unique or custom-made goods use a job costing system. 3) _____
- 4) Both process and job costing assign costs to units as they proceed through the process. 4) _____
- 5) In a process costing system with a series of manufacturing processes, each manufacturing process will have a WIP inventory account. 5) _____
- 6) In a job cost system, all costs flow to a particular job. 6) _____
- 7) Conversion costs include direct labour and direct materials. 7) _____
- 8) Conversion costs are the sum of direct labour and manufacturing overhead. 8) _____
- 9) Indirect labour would be a component of conversion costs. 9) _____
- 10) In process costing, the costs flow from Work in Process Inventory, to Raw Materials Inventory, to Finished Goods Inventory. 10) _____
- 11) To simplify the accounting, the journal entry to record the transfer of costs from one WIP account to the next WIP account is generally made once a month to reflect all physical transfers that occurred during the month. 11) _____
- 12) In process costing, the manufacturing costs assigned to the product must always follow the physical movement of the product. 12) _____
- 13) In process costing conversion costs are often incurred evenly throughout production. 13) _____
- 14) The costs moved from one processing department to the next processing department are called "transported-out" costs in the first department and "transported-in" costs in the next department. 14) _____
- 15) Process costing is typically used for businesses that make unique goods in relatively small amounts. 15) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 16) When units are moved from one processing department to the next, the cost associated with those units must also be moved from one WIP account to the next. These costs are called 16) _____
A) transported costs. B) transmitted costs.
C) transferred costs. D) conveyed costs.
- 17) Hallow Company produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. When the balls are completely finished, out of which account should their cost be transferred? 17) _____
A) WIP inventory—finishing B) WIP inventory—molding
C) Finished goods inventory D) WIP inventory—colouring
- 18) Hallow Company produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. At what stage would the Ping-Pong balls be allocated manufacturing overhead? 18) _____
A) When the balls are in WIP inventory—finishing
B) When the balls are in WIP inventory—molding
C) When the balls are in WIP inventory—colouring
D) All of the above
- 19) Hallow Company produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. Generally, how often is the journal entry prepared to transfer the costs to reflect the physical transfers that occur? 19) _____
A) Weekly B) Monthly C) Daily D) Continuously
- 20) Hallow Company produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. When costs are transferred from molding to colouring, how does the colouring department refer to those costs? 20) _____
A) Conversion costs B) Packaging costs
C) Direct Material costs D) Transferred in costs
- 21) What are the two basic types of product costing systems? 21) _____
A) FIFO and weighted-average B) Department and plant
C) Job and process D) Variable and process
- 22) The product costing system normally used to assign costs to goods that are mass produced is 22) _____
A) job costing. B) LIFO costing.
C) process costing. D) fixed costing.
- 23) Process costing is most likely used in which of the following industries? 23) _____
A) Aircraft B) Construction C) Chemicals D) Printing

- 24) Which of the following would use process costing? 24) _____
 A) PIP Printing B) Pepsi
 C) Clear Channel advertising D) DBA Management Consultants
- 25) Direct labour costs plus manufacturing overhead costs equal 25) _____
 A) equivalent costs. B) conversion costs.
 C) operating costs. D) prime costs.
- 26) 2,000 units in a process costing system that are deemed to be 80% complete with respect to conversion would be how many equivalent units? 26) _____
 A) 2,000 B) 2,500 C) 1,600 D) 3,200
- 27) The three building blocks of process costing are: 27) _____
 A) Beginning Inventory; Units started in production; Ending Inventory
 B) Conversion Costs; Equivalent Units; Inventory Flow Assumptions
 C) Physical Units; Equivalent Units; Ending Inventory
 D) Physical Units; Equivalent Units; Conversion Costs
- 28) The two inventory flow methods that companies can use are: 28) _____
 A) FIFO; Weighted Average B) Physical Unit; Equivalent Unit
 C) Cost Average; Physical Method D) FIFO; LIFO
- 29) The costing system used by a company producing custom window treatments would be 29) _____
 A) job costing. B) process costing.
 C) equivalent units costing. D) conversion cost costing.
- 30) The costing system used by a company making computer chips would be 30) _____
 A) job costing. B) process costing.
 C) equivalent units costing. D) conversion cost costing.
- 31) A system for assigning costs for products made in a continuous process is 31) _____
 A) job costing. B) process costing.
 C) equivalent units costing. D) conversion cost costing.
- 32) A company manufactures organic juices. Last month's costs were: 32) _____

Direct materials	\$210,000
Direct labour	\$175,000
Manufacturing overhead	\$75,000

What were the conversion costs for the month?

- A) \$210,000 B) \$250,000 C) \$385,000 D) \$460,000

33) A company manufactures exterior paint. Last month's costs were:

33) _____

Direct materials	\$110,000
Direct labour	\$150,000
Manufacturing overhead	\$135,000

What were the conversion costs for the month?

- A) \$285,000 B) \$395,000 C) \$110,000 D) \$260,000

34) When a bakery transfers goods from the Baking Department to the Decorating Department, the accounting entry is

34) _____

- A)

Work in Process — Baking Department
Work in Process — Decorating Department
- B)

Work in Process — Decorating Department
Work in Process — Baking Department
- C)

Finished Goods — Decorating Department
Work in Process — Baking Department
- D)

Work in Process — Decorating Department
Accounts Payable

35) When a bakery transfers goods from the Decorating Department to the retail shelf, the accounting entry is

35) _____

- A)

Finished Goods Inventory
Work in Process — Decorating Department
- B)

Finished Goods Inventory
Accounts Payable
- C)

Work in Process — Baking Department
Work in Process — Decorating Department
- D)

Work in Process — Decorating Department
Finished Goods Inventory

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 36) Blomidon Estate Wines uses a process costing system. On September 1 they had 25,000 bottles in work in process inventory. In September, they began processing an additional 115,000 bottles. At September 30, 28,000 bottles remaining in production. 36) _____

Summarize the physical flow of units using the following schedule:

Flow of Production	Flow of physical units
Units to account for:	
Beginning Inventory	
Started in production	
Units to Account For	
Units Accounted for	
Completed and transferred out	
Ending Work in process	
Total Units Accounted for	

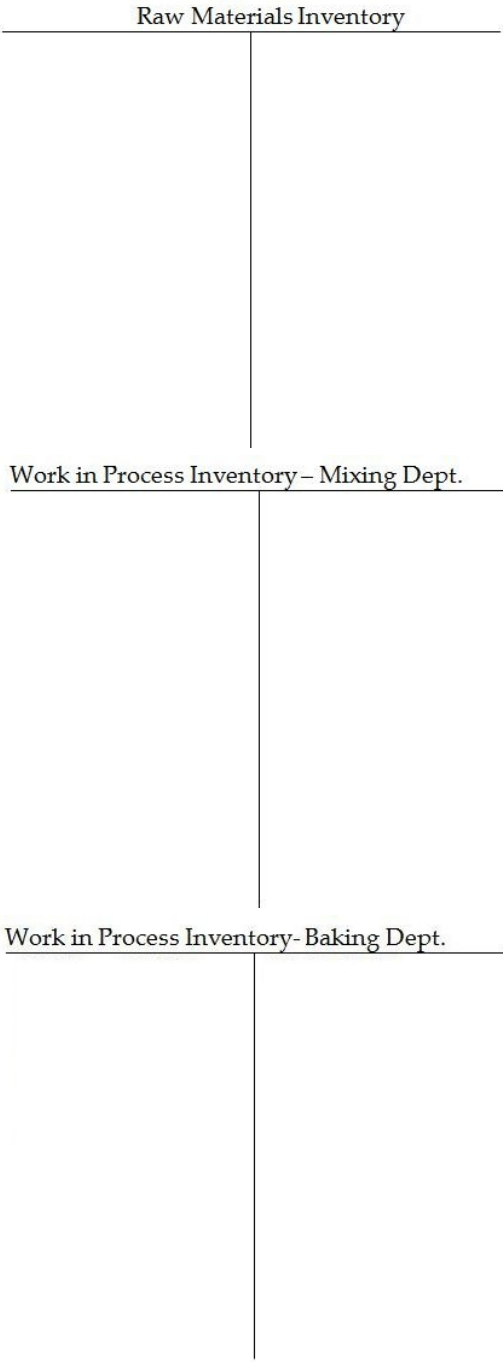
- 37) Sweet Stuff Bakery mass-produces cakes using three sequential processing departments: Mixing, Baking, and Packaging. The following transactions occurred during February: 37) _____

1. Direct materials used in the Packaging Department	\$15,000
2. Costs assigned to units completed and transferred out of Mixing	110,000
3. Direct labour incurred in the Mixing Department	6,000
4. Beginning balance: Work in Process Inventory-Baking	8,000
5. Manufacturing overhead allocated to the Baking Department	35,000
6. Beginning balance: Finished Goods Inventory	2,000
7. Costs assigned to units completed and transferred out of Baking	150,000
8. Beginning balance: Work in Process Inventory-Mixing	6,000
9. Direct labour incurred in the Packaging Department	4,000
10. Manufacturing overhead allocated to the Mixing Department	30,000
11. Direct materials used in the Mixing Department	75,000
12. Beginning balance: Raw Materials Inventory	12,000
13. Costs assigned to units completed and transferred out of Packaging	192,000
14. Beginning balance: Work in Process Inventory-Packaging	24,000
15. Purchases of Raw Materials	85,000
16. Direct labour incurred in the Baking Department	2,000
17. Manufacturing overhead allocated to the Packaging Department	20,000
18. Cost of goods sold	191,000

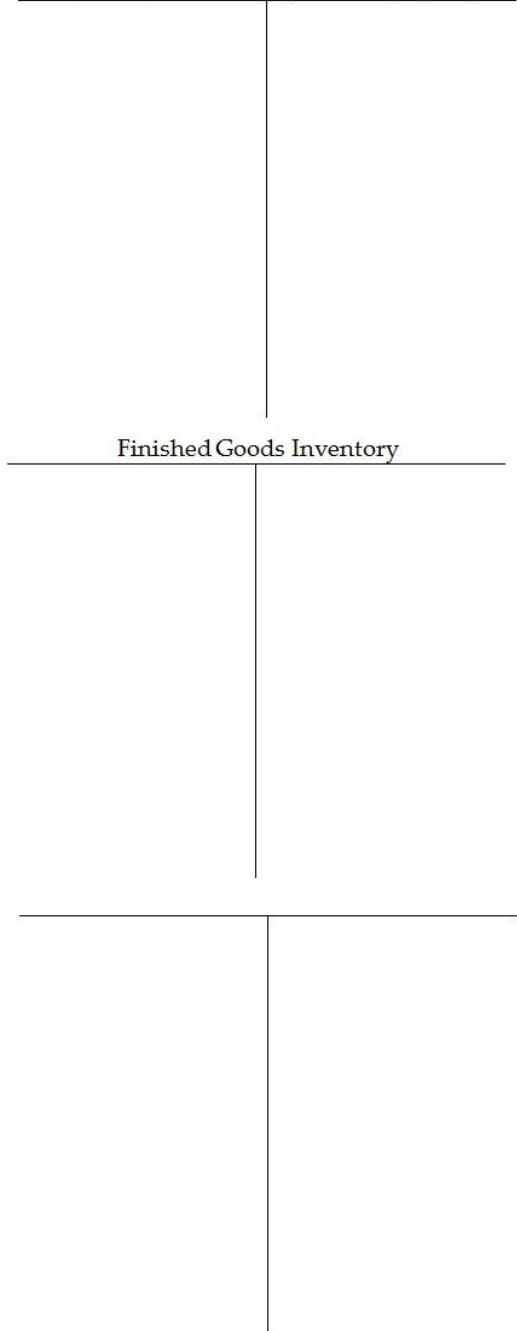
Note: No direct materials were used by the Baking Department.

Required:

- Post each of these transactions to the company's inventory T-accounts provided below
- Determine the balance at month end in each of the T-accounts.
- Assume that 1,600,000 cakes were completed and transferred out of the Packaging Department during the month. What was the cost per unit of making each cake?



Work in Process Inventory – Packaging Dept.



38) Sweet Stuff Bakery mass-produces cakes using three sequential processing departments: Mixing, Baking, and Packaging. The following transactions occurred during February:

38) _____

1. Direct materials used in the Packaging Department	\$45,000
2. Costs assigned to units completed and transferred out of Mixing	330,000
3. Direct labour incurred in the Mixing Department	18,000
4. Beginning balance: Work in Process Inventory–Baking	24,000
5. Manufacturing overhead allocated to the Baking Department	105,000
6. Beginning balance: Finished Goods Inventory	6,000
7. Costs assigned to units completed and transferred out of Baking	450,000

Work in Process Inventory- Baking Dept.



Work in Process Inventory – Packaging Dept.



Finished Goods Inventory





- 39) Autodig mass-produces a single product using three sequential processing departments: Machining, Assembly, and Packaging. The following transactions occurred during February

1. Direct materials used in the Packaging Department	\$28,000
2. Costs assigned to units completed and transferred out of Machining	165,000
3. Direct labour incurred in the Machining Department	9,000
4. Beginning balance: Work in Process Inventory– Assembly	12,000
5. Manufacturing overhead allocated to the Assembly Department	58,000
6. Beginning balance: Finished Goods Inventory	3,000
7. Costs assigned to units completed and transferred out of Assembly	225,000
8. Beginning balance: Work in Process Inventory– Machining	9,000
9. Direct labour incurred in the Packaging Department	6,000
10. Manufacturing overhead allocated to the Machining Department.	45,000
11. Direct materials used in the Machining Department	125,000
12. Beginning balance: Raw Materials Inventory.	18,000
13. Costs assigned to units completed and transferred out of Packaging.	288,000
14. Beginning balance: Work in Process Inventory–Packaging	36,000
15. Purchases of Raw Materials	130,000
16. Direct labour incurred in the Assembly Department	3,000
17. Manufacturing overhead allocated to the Packaging Department	30,000
18. Cost of goods sold	290,000

Note: No direct materials were used by the Baking Department.

Required:

- Post each of these transactions to the company's inventory T-accounts provided below.
- Determine the balance at month end in each of the T-accounts.
- Assume that 640,000 units were completed and transferred out of the Packaging Department during the month. What was the cost per unit of making each unit?

Raw Materials Inventory	

Work in Process Inventory – Machining Dept.



Work in Process Inventory- Assembly Dept.



Work in Process Inventory – Packaging Dept.



Finished Goods Inventory



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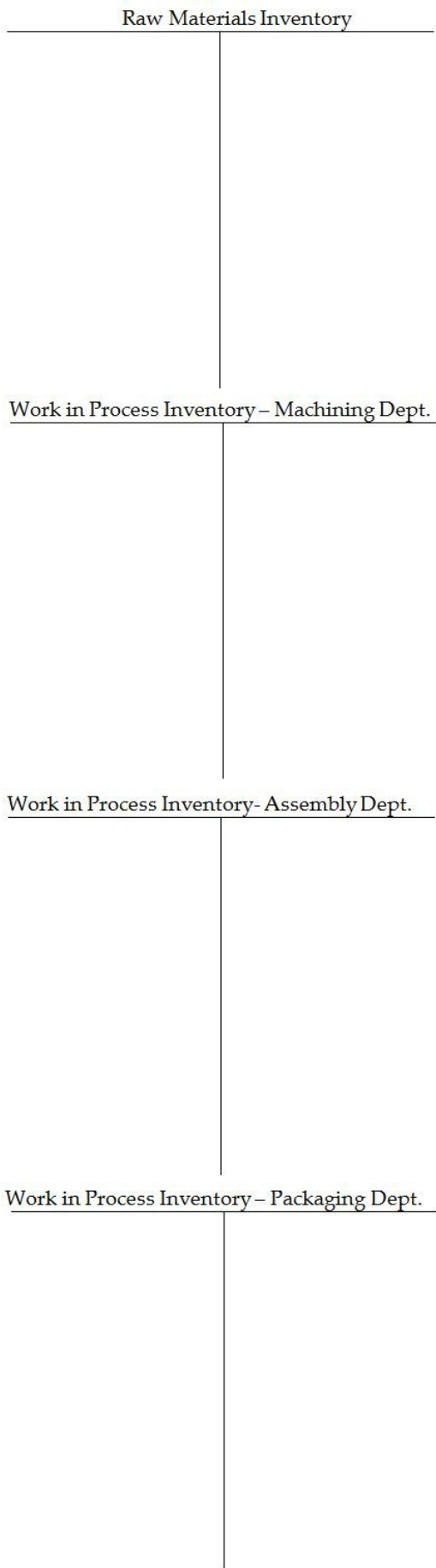
- 40) Baoding mass-produces a single product using three sequential processing departments: Machining, Assembly, and Packaging. The following transactions occurred during February

1. Direct materials used in the Packaging Department	\$42,000
2. Costs assigned to units completed and transferred out of Machining	250,000
3. Direct labour incurred in the Machining Department	15,000
4. Beginning balance: Work in Process Inventory– Assembly.	18,000
5. Manufacturing overhead allocated to the Assembly Department.	87,000
6. Beginning balance: Finished Goods Inventory	8,000
7. Costs assigned to units completed and transferred out of Assembly	340,000
8. Beginning balance: Work in Process Inventory– Machining	16,000
9. Direct labour incurred in the Packaging Department	9,000
10. Manufacturing overhead allocated to the Machining Department	70,000
11. Direct materials used in the Machining Department	190,000
12. Beginning balance: Raw Materials Inventory	30,000
13. Costs assigned to units completed and transferred out of Packaging.	430,000
14. Beginning balance: Work in Process Inventory–Packaging	55,000
15. Purchases of Raw Materials	190,000
16. Direct labour incurred in the Assembly Department	4,000
17. Manufacturing overhead allocated to the Packaging Department	45,000
18. Cost of goods sold	435,000

Note: No direct materials were used by the Baking Department.

Required:

- Post each of these transactions to the company's inventory T-accounts provided below
- Determine the balance at month end in each of the T-accounts.
- Assume that 1,075,000 units were completed and transferred out of the Packaging Department during the month. What was the cost per unit of making each unit?



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41) Compare and contrast process costing and job order costing.

42) Conversion costs are generally added evenly throughout a process. 42)

43) Equivalent units are the sum of direct materials and direct labour. 43)

44) Equivalent units should be computed separately for direct materials and conversion costs. 44)

45) The number of partially completed units multiplied by the percentage of process started equals the number of equivalent units. 45) _____

46) Equivalent units express the amount of work done during a period of time in terms of fully completed units of output. 46) _____

47) If a company has 5,000 units that are 60% complete, the equivalent unit figure is 3,000. 47)

- 48) Conversion costs and direct materials costs are generally both added at the end of the production process. 48) _____
- 49) In a process costing environment, direct materials and direct labour are usually combined into one cost category called "conversion costs." 49) _____
- 50) In a process costing environment, direct labour and manufacturing overhead are usually combined into one cost category called "conversion cost." 50) _____
- 51) Companies that use automated production processes often condense the three manufacturing costs into two categories: direct materials and conversion costs. 51) _____
- 52) Companies that use automated production processes often condense the three manufacturing costs into two categories: direct labour and conversion costs. 52) _____
- 53) Direct materials are usually added evenly throughout the production process. 53) _____
- 54) The number of equivalent units is usually the same for direct materials and conversion costs. 54) _____
- 55) If all direct materials are added at the beginning of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 100%. 55) _____
- 56) If all direct materials are added at the beginning of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 50%. 56) _____
- 57) If all direct materials are added at the beginning of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 0%. 57) _____
- 58) If all direct materials are added at the end of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 100%. 58) _____
- 59) If all direct materials are added at the end of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 50%. 59) _____
- 60) If all direct materials are added at the end of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 0%. 60) _____

- 61) If conversion costs are added evenly throughout the production process, and the units have made it 50% of the way through the production process, then the percentage completion for conversion costs is 50%. 61) _____
- 62) The weighted average and FIFO methods differ only in how they treat beginning inventory. 62) _____
- 63) The FIFO method requires that any units in beginning inventory be costed separately from any units started in the current period. 63) _____
- 64) The weighted-average method of process costing is simpler than the FIFO method. 64) _____
- 65) Units that have been transferred out have 100% of conversion costs applied to them. 65) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 66) If all direct materials are added at the end of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 66) _____
 A) 0%. B) 100%.
 C) 50%. D) none of the above.
- 67) If all direct materials are added at the beginning of the production process, and the units have made it 50% of the way through the production process, then the percentage completion for direct materials is 67) _____
 A) 0%. B) 100%.
 C) 50%. D) none of the above.
- 68) If conversion costs are added evenly throughout the production process, and the units have made it 50% of the way through the production process, then the percentage completion for conversion costs is 68) _____
 A) 0%. B) 100%.
 C) 50%. D) none of the above.
- 69) A company uses a process system. The number of equivalent units in ending WIP inventory regarding direct materials costs and conversion costs is 69) _____
 A) always lower for conversion costs. B) always lower for direct materials.
 C) always equal. D) none of the above.
- 70) In a process system, direct labour and manufacturing overhead are normally 70) _____
 A) incurred evenly throughout the process.
 B) incurred at the end of the process.
 C) not recorded.
 D) incurred in full at the beginning of the process.

- 71) A measure of the amount of work done, expressed in complete units of output is 71) _____
 A) process costing. B) job costing.
 C) equivalent units. D) conversion costs.
- 72) A business has 200 full-time workers who work 8 hours per day. They have 100 part-time workers who work 5 hours per day. What is the number of full-time equivalent employees? 72) _____
 A) 263 B) 200 C) 300 D) 188
- 73) The full-time employees at Percy Enterprises work 8 hours per day, while the part-time employees work 4 hours per day. Percy has 2,000 full-time employees and 800 part-time employees. What is the number of full-time equivalent employees? 73) _____
 A) 2,800 B) 2,400 C) 1,400 D) 2,000
- 74) Green Paints has 4,000 gallons of paint in WIP inventory, with all materials already added. What are equivalent units in ending WIP inventory for materials if the paint is 80% through the process? 74) _____
 A) 800 B) 3,200 C) 4,000 D) 0
- 75) Green Paints has 4,000 gallons of paint in WIP inventory, with all materials already added. The paint is 80% through the process. Assuming all conversion costs are added evenly throughout the process, what are the equivalent units for conversion costs? 75) _____
 A) 4,000 B) 800 C) 3,200 D) 0
- 76) Natural Desserts has 2,500 gallons of paint in WIP inventory, with all materials already added. What are equivalent units in ending WIP inventory for materials if the paint is 80% through the process? 76) _____
 A) 0 B) 2,000 C) 2,500 D) 500
- 77) Natural Desserts has 2,500 gallons of paint in WIP inventory, with all materials already added. The paint is 60% through the process. Assuming all conversion costs are added evenly throughout the process, what are the equivalent units for conversion costs? 77) _____
 A) 1,500 B) 2,000 C) 0 D) 500

Use the information below to answer the following questions:

The following information is provided by Abbott Corporation:

WIP inventory, January 1	0 units
Units started	12,000
Units completed and transferred out	8,000
WIP inventory, December 31	4,000
Direct materials	\$26,700
Direct labour	\$15,400
Manufacturing overhead	\$9,000

The units in ending WIP inventory were 80% complete for materials and 40% complete for conversion costs.

78) What are the total equivalent units for direct materials for the Abbott Corporation if all manufacturing costs are added during the process? 78) _____
A) 3,200 B) 4,000 C) 12,000 D) 11,200

79) At the end of the year, what are the equivalent units for conversion costs for the Abbott Corporation if all manufacturing costs are added during the process? 79) _____
A) 1,600 B) 4,800 C) 9,600 D) 8,000

Use the information below to answer the following questions:

The following information is provided by Dart Manufacturing:

WIP inventory, January 1	0 units
Units started	5,000
Units completed and transferred out	2,000
WIP inventory, December 31	3,000
Direct materials	\$12,500
Direct labour	\$16,300
Manufacturing overhead	\$8,700

The units in ending WIP inventory were 90% complete for materials and 60% complete for conversion costs.

80) What are the total equivalent units for direct materials for Dart Manufacturing if all manufacturing costs are added during the process? 80) _____
A) 2,700 B) 3,000 C) 4,700 D) 5,000

81) At the end of the year, what are the equivalent units for conversion costs for Dart Manufacturing if all manufacturing costs are added during the process? 81) _____
A) 2,000 B) 3,000 C) 1,800 D) 3,800

Use the information below to answer the following questions:

Pizza Company produces frozen pizzas in three departments: assembly, freezing and packaging. In assembly, crust ingredient added at the beginning of the process. After the crust is made, the sauce, cheese, and toppings are added at the end of the process. Conversion costs are added evenly. Data for the assembly department includes:

Beginning WIP inventory	0 units
Units started	22,000 units
Units completed/transferred to freezing	19,800 units
Ending WIP (70% through assembly)	2,200 units
Crust ingredients added	\$31,000
Cheese added	\$16,000
Sauce and toppings added	\$8,000
Direct labour	\$22,216
Manufacturing overhead	\$5,486

- 82) What are the total equivalent units to account for crust ingredients? 82) _____
 A) 24,400 B) 22,000 C) 2,200 D) 19,800
- 83) At the end of the period, what are the total equivalent units for cheese, sauce and toppings? 83) _____
 A) 22,000 B) 2,200 C) 19,800 D) 21,340
- 84) What are the total equivalent units for conversion costs? 84) _____
 A) 23,540 B) 21,340 C) 22,000 D) 2,200

Use the information below to answer the following questions:

The following information is provided by Alexandria Corporation:

WIP Inventory, January 1	0 units
Units started	14,000
Units completed and transferred out	9,000
WIP Inventory, December 31	5,000
Direct materials	\$28,200
Direct labour	\$18,000
Manufacturing Overhead	\$7,500

The units in ending WIP Inventory were 75% complete for materials and 50% complete for conversion costs.

- 85) What are the total equivalent units for direct materials at Alexandria Corporation? 85) _____
 A) 14,000 B) 3,750 C) 12,750 D) 5,000
- 86) At Alexandria Corporation, what are the equivalent units for conversion costs? 86) _____
 A) 11,500 B) 9,000 C) 2,500 D) 7,000

Use the information below to answer the following questions:

The following information is provided by Zander Corporation:

WIP Inventory, January 1	0 units
Units started	14,000
Units completed and transferred out	9,000
WIP Inventory, December 31	5,000
Direct materials	\$28,200
Direct labour	\$18,000
Manufacturing Overhead	\$7,500

The units in ending WIP Inventory were 80% complete for materials and 45% complete for conversion costs.

87) What are the total equivalent units for direct materials at Zander Corporation? 87) _____
A) 4,000 B) 14,000 C) 5,000 D) 13,000

88) At Zander Corporation, what are the equivalent units for conversion costs? 88) _____
A) 2,250 B) 11,250 C) 9,000 D) 6,300

Use the information below to answer the following questions:

The following information is provided by Arrow Company:

WIP Inventory, January 1	0 units
Units started	7,000
Units completed and transferred out	4,000
WIP Inventory, December 31	3,000
Direct materials	\$15,500
Direct labour	\$18,400
Manufacturing Overhead	\$9,000

The units in ending WIP Inventory were 80% complete for materials and 40% complete for conversion costs.

89) What are the total equivalent units for direct materials? 89) _____
A) 7,000 B) 3,000 C) 2,400 D) 6,400

90) At the end of the year, what are the equivalent units for conversion costs? 90) _____
A) 5,200 B) 4,000 C) 2,800 D) 1,200

Use the information below to answer the following questions:

The following information is provided by Adametz Company:

WIP Inventory, January 1	0 units
Units started	7,500
Units completed and transferred out	3,300
WIP Inventory, December 31	4,200
Direct materials	\$15,500
Direct labour	\$18,400
Manufacturing Overhead	\$9,000

The units in ending WIP Inventory were 90% complete for materials and 50% complete for conversion costs.

- 91) What are the total equivalent units for direct materials at Adametz Company? 91) _____
 A) 7,080 B) 4,200 C) 7,500 D) 3,780
- 92) At Adametz Company, what are the equivalent units for conversion costs? 92) _____
 A) 3,750 B) 5,400 C) 3,300 D) 2,100
- 93) There are a total of 12,000 students at a school. Seventy percent of them go full time at 16 hours per term. Ten percent take a half-load of 8 hours per term, and twenty percent take a three-quarter load of 12 hours per term. What is the equivalent number of full-time students? 93) _____
 A) 8,400 B) 12,000 C) 2,400 D) 10,800

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

- 94) The following information is provided by Gibson Company: 94) _____

WIP inventory, January 1	0 units
Units started	20,000 units
Units completed and transferred out	17,500 units
WIP inventory, December 31	2,500 units
Direct materials	\$25,300
Direct labour	\$17,400
Manufacturing overhead	\$26,700

The units in ending WIP inventory were 85% complete for materials and 35% complete for conversion costs. All manufacturing costs are added during the process.

Required

- A. What are the total equivalent units for direct materials?
 B. At the end of the year, what are the equivalent units for conversion costs?

95) The following information is provided by Wilson Company:

95) _____

WIP inventory, January 1	0 units
Units started	50,000 units
Units completed and transferred out	37,500 units
WIP inventory, December 31	3,000 units
Direct materials	\$52,000
Direct labour	\$35,000
Manufacturing overhead	\$54,000

The units in ending WIP inventory were 65% complete for materials and 45% complete for conversion costs. All manufacturing costs are added during the process.

Required

- What are the total equivalent units for direct materials?
- At the end of the year, what are the equivalent units for conversion costs?

96) The following information is provided by Mel Company:

96) _____

WIP Inventory, January 1	0 units
Units started	23,000 units
Units completed and transferred out	18,000 units
WIP Inventory, December 31	5,000 units
Direct materials	\$22,400
Direct labour	\$16,500
Manufacturing Overhead	\$27,200

The units in ending WIP Inventory were 90% complete for materials and 25% complete for conversion costs.

Required:

- What are the total equivalent units for direct materials?
- At the end of the year, what are the equivalent units for conversion costs?

97) The following information is provided by Bynes Company:

97) _____

WIP Inventory, January 1	0 units
Units started	23,000
Units completed and transferred out	20,000
WIP Inventory, December 31	3,000
Direct materials	\$22,400
Direct labour	\$16,500
Manufacturing Overhead	\$27,200

The units in ending WIP Inventory were 85% complete for materials and 25% complete for conversion costs.

Required:

- What are the total equivalent units for direct materials?
- At the end of the year, what are the equivalent units for conversion costs?

98) The Baking Department of Sweet Cakes Co. had 50,000 partially completed units in work in process at the end of July. All of the direct materials had been added to these units, but the units were only 60% of the way through the conversion process. In addition, 900,000 units had been completed and transferred out of the Baking Department to the Packaging Department during the month. 98) _____

Required:

- A. What are the total equivalent units for direct materials?
- B. At the end of the year, what are the equivalent units for conversion costs?

99) The Baking Department of Sweet Cakes Co. had 20,000 partially completed units in work in process at the end of August. All of the direct materials had been added to these units, but the units were only 75% of the way through the conversion process. In addition, 450,000 units had been completed and transferred out of the Baking Department to the Packaging Department during the month. 99) _____

Required:

- A. What are the total equivalent units for direct materials?
- B. At the end of the year, what are the equivalent units for conversion costs?

100) The Assembly Department of Zedco Ltd. had 25,000 partially completed units in work in process at the end of August. Only 60% of the direct materials had been added to these units and the units were 75% of the way through the conversion process. In addition, 400,000 units had been completed and transferred out of the Baking Department to the Packaging Department during the month. 100) _____

Required:

- A. What are the total equivalent units for direct materials?
- B. At the end of the year, what are the equivalent units for conversion costs?

101) The Assembly Department of Zedco Ltd. had 45,000 partially completed units in work in process at the end of October. Only 50% of the direct materials had been added to these units and the units were 55% of the way through the conversion process. In addition, 425,000 units had been completed and transferred out of the Baking Department to the Packaging Department during the month. 101) _____

Required:

- A. What are the total equivalent units for direct materials?
- B. At the end of the year, what are the equivalent units for conversion costs?

- 102) Wanda's Sweet Buns collected the following production information relating to October's baking operations: 102) _____

	Physical Units	Direct Materials (% Complete)	Conversion (% Complete)
Beginning work in process	103,000	---	---
Ending work in process	78,000	55%	85%
Units started during the month	507,500		

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 103) Wanda's Sweet Buns collected the following production information relating to November's baking operations: 103) _____

	Physical Units	Direct Materials (% Complete)	Conversion (% Complete)
Beginning work in process	86,000	---	---
Ending work in process	52,000	75%	90%
Units started during the month	608,000		

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 104) Henry's Wagons collected the following production information relating to May's assembly operations: 104) _____

	Physical Units	Direct Materials (% Complete)	Conversion (% Complete)
Beginning work in process	42,000	---	---
Ending work in process	52,000	90%	35%
Units started during the month	596,000		

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 105) Henry's Wagons collected the following production information relating to July's assembly operations:

105) _____

	Physical Units	Direct Materials (% Complete)	Conversion (% Complete)
Beginning work in process	12,000	---	
Ending work in process	18,000	60%	
Units started during the month	382,000		

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 106) Blomidon Wines makes wine and accounts for it using a process costing system. At the beginning of September, 25,000 units were in production in the crushing department. During September an additional 78,000 units were entered into production and 83,000 were transferred out to the next process. All the direct materials are added at the start of the crushing process. The beginning inventory was deemed to be 60% complete and the ending inventory was deemed to be 75% complete.

106) _____

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 107) Blomidon Wines makes wine and accounts for it using a process costing system. At the beginning of September, 23,000 units were in production in the crushing department. During September an additional 65,000 units were entered into production and 47,000 were transferred out to the next process. All the direct materials are added at the start of the crushing process. The beginning inventory was deemed to be 30% complete and the ending inventory was deemed to be 80% complete.

107) _____

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

- 108) Blomidon Wines makes wine and accounts for it using a process costing system. At the beginning of September, 25,000 units were in production in the crushing department. During September an additional 68,000 units were entered into production. At the end of September 27,000 remained in process in the crushing department. All the direct materials are added at the start of the crushing process. The beginning inventory was deemed to be 45% complete and the ending inventory was deemed to be 55% complete.

108) _____

Complete the first two steps in the process costing procedure:

1. Summarize the flow of physical units.
2. Compute output in terms of equivalent units.

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 109) Costs added in the current period that are included in WIP ending inventory are not considered in the cost per equivalent unit computation. 109) _____
- 110) The number of equivalent units is computed after computing the cost per equivalent unit. 110) _____
- 111) Wong completed 25,000 units and had another 8,000 units 35% complete. The total equivalent units for the period are 27,800. 111) _____
- 112) Total direct materials equals \$90,000, and there is no beginning WIP inventory. Units completed are 18,000 with no ending work in process inventory. The direct material cost per unit is \$5.00. 112) _____
- 113) Summarizing the flow of physical units in process costing reconciles units in beginning inventory plus units completed with units in ending inventory and units started. 113) _____
- 114) The existence of ending work in process inventory necessitates how much of the total manufacturing cost should be assigned to units still in ending WIP inventory, and how much of the cost should be assigned to units completed during the period. 114) _____
- 115) The first step of the 5-step process costing procedure is to compute output in terms of equivalent units. 115) _____
- 116) The last step of the 5-step process costing procedure is to compute the cost per equivalent unit. 116) _____
- 117) The first step of the 5-step process costing procedure is to summarize the flow of physical units. 117) _____
- 118) The last step of the 5-step process costing procedure is to assign total costs to units completed and to units in ending WIP inventory. 118) _____
- 119) The "total physical units to account for" is the sum of the units in beginning WIP inventory plus the units started in production during the period. 119) _____
- 120) The "total physical units accounted for" is the sum of the units completed and transferred out during the period plus the units in ending WIP inventory. 120) _____
- 121) The "total physical units to account for" is the sum of the units in beginning WIP inventory plus the units in ending WIP inventory. 121) _____
- 122) The "total physical units accounted for" is the sum of the units completed and transferred out during the period plus the units in beginning WIP inventory. 122) _____
- 123) To find the "cost per equivalent unit", the "total equivalent units" are divided by the "total costs to account for." 123) _____

- 124) To find the "cost per equivalent unit," the "total costs to account for" are divided by the "total equivalent units." 124) _____
- 125) The "total costs to account for" is the sum of the costs in beginning WIP inventory plus the manufacturing costs added during the period. 125) _____
- 126) The first-in, first-out process-costing method computes unit costs by confining equivalent units to work only done during the current period. 126) _____
- 127) A distinctive feature of the FIFO process costing method is that the work done on beginning inventory before the current period is averaged with work done in the current period. 127) _____
- 128) The first-in, first-out process-costing method assumes that units in beginning inventory are completed during the current accounting period. 128) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 129) The first step of the 5-step process costing procedure is 129) _____
 A) summarize the flow of physical units.
 B) summarize total costs to account for.
 C) compute output in terms of equivalent units.
 D) compute the cost per equivalent unit.
- 130) The last step of the 5-step process costing procedure is 130) _____
 A) summarize total costs to account for.
 B) summarize the flow of physical units.
 C) compute the cost per equivalent unit.
 D) assign total costs to units completed and to units in ending WIP inventory.
- 131) The five steps of the process costing procedure are scrambled below: 131) _____
 1. Assign total costs to units completed and to units in ending WIP inventory.
 2. Summarize total costs to account for.
 3. Compute the cost per equivalent unit.
 4. Summarize the flow of physical units.
 5. Compute output in terms of equivalent units.

The correct order for these steps is

- A) 2, 4, 5, 1, 3 B) 4, 5, 2, 3, 1 C) 5, 3, 1, 4, 2 D) 3, 1, 4, 2, 5

- 132) In Step 1 of the process costing procedure, the "total units to account for" is the sum of 132) _____
 A) the units in beginning WIP plus the units started in production during the month.
 B) the units in ending WIP plus the units started in production during the month.
 C) the units completed and transferred out plus the units started in production during the month.
 D) the units in beginning WIP plus the units in ending WIP.
- 133) In Step 1 of the process costing procedure, the "total units accounted for" is the sum of 133) _____
 A) the units completed and transferred out plus the units in ending WIP.
 B) the units in beginning WIP plus the units completed and transferred out.
 C) the units in beginning WIP plus the units in ending WIP.
 D) the units in ending WIP plus the units started in production during the month.
- 134) The cost per equivalent unit is computed as 134) _____
 A) costs in beginning WIP inventory divided by equivalent units in beginning WIP.
 B) costs added to production during the month divided by equivalent units in ending WIP.
 C) total costs to account for divided by total equivalent units.
 D) total equivalent units divided by total costs to account for.
- 135) For which of the following do we prepare calculations for equivalent units? 135) _____
 A) Both direct labour and manufacturing overhead
 B) Both direct materials and conversion costs
 C) Both direct labour and direct materials
 D) Neither direct materials nor conversion costs
- 136) What are the ending inventory equivalent units for materials if 12,500 units are completed and transferred out and 3,800 remain in ending WIP at 40% complete? 136) _____
 A) 1,520 B) 3,480 C) 3,800 D) 5,000
- 137) In a department, 22,000 units are completed and transferred out and 6,200 remain in ending WIP at 55% complete. If an equivalent unit costs \$8.00 for direct materials, what is the value of materials transferred out? 137) _____
 A) \$27,280 B) \$49,600 C) \$176,000 D) \$126,400
- 138) Beginning WIP inventory is 700 units; completed and transferred out were 2,800 units; and Ending WIP inventory is 600 units. What is the number of units started? 138) _____
 A) 3,200 B) 3,400 C) 2,800 D) 2,700
- 139) Assume that 6,000 units were in beginning WIP inventory, 36,000 were started, 32,000 were completed, and 10,000 were in ending WIP inventory. Direct materials are added at the beginning of the process. What are the total equivalent units for direct materials? 139) _____
 A) 38,000 B) 42,000 C) 36,000 D) 46,000

Use the information below to answer the following questions:

The Weighted Average method is used for process costing at Davide Corporation, direct materials are added at the beginning process and conversions costs are uniformly applied. Other details include:

WIP beginning (60% for conversion)	17,500 units
Units started	114,500 units
Units completed and transferred out	111,700 units
WIP ending (30% for conversion)	20,300 units
Beginning WIP direct materials	\$22,300
Beginning WIP conversion costs	\$19,700
Costs of materials added	\$370,000
Costs of conversion added	\$280,000

- 140) What are the total equivalent units for direct materials at Davide Corporation? 140) _____
A) 117,790 B) 132,000 C) 134,800 D) 129,200
- 141) What are the total equivalent units for conversion costs at Davide Corporation? 141) _____
A) 132,000 B) 123,880 C) 117,790 D) 122,200
- 142) What is the cost per equivalent unit for direct materials at Davide Corporation? 142) _____
A) \$3.04 B) \$2.80 C) \$2.97 D) \$3.33
- 143) What is the cost per equivalent unit for conversion costs at Davide Corporation? 143) _____
A) \$2.45 B) \$2.38 C) \$2.27 D) \$2.54
- 144) What is the total cost of units completed and transferred out at Davide Corporation? 144) _____
A) \$615,467 B) \$578,622 C) \$617,787 D) \$631,620
- 145) What is the total cost of units remaining in ending WIP at Davide Corporation? 145) _____
A) \$75,760 B) \$111,981 C) \$71,378 D) \$60,331

Use the information below to answer the following questions:

The Weighted Average method is used for process costing at OxyCorp, direct materials are added at the beginning of the process and conversions costs are uniformly applied. Other details include:

WIP beginning (55% for conversion)	13,700 units
Units started	125,000 units
Units completed and transferred out	116,500 units
WIP ending (35% for conversion)	22,200 units
Beginning WIP direct materials	\$50,300
Beginning WIP conversion costs	\$22,500
Costs of materials added	\$412,000
Costs of conversion added	\$301,000

- 146) What are the total equivalent units for direct materials at OxyCorp?
 A) 138,700 B) 130,200 C) 147,200 D) 124,270 146) _____
- 147) What are the total equivalent units for conversion costs at OxyCorp?
 A) 124,035 B) 128,710 C) 138,700 D) 124,270 147) _____
- 148) What is the cost per equivalent unit for direct materials at OxyCorp?
 A) \$3.72 B) \$3.55 C) \$3.33 D) \$2.97 148) _____
- 149) What is the cost per equivalent unit for conversion costs at OxyCorp?
 A) \$2.61 B) \$2.60 C) \$2.42 D) \$2.33 149) _____
- 150) What is the total cost of units completed and transferred out at OxyCorp?
 A) \$697,146 B) \$742,037 C) \$690,845 D) \$628,236 150) _____
- 151) What is the total cost of units remaining in ending WIP at OxyCorp?
 A) \$94,128 B) \$73,995 C) \$84,764 D) \$131,786 151) _____

Use the information below to answer the following questions:

The Weighted Average method is used for process costing at Sunrise Corporation, direct materials are added at the beginning process and conversions costs are uniformly applied. Other details include:

WIP beginning (50% for conversion)	19,200 units
Units started	120,500 units
Units completed and transferred out	116,700 units
WIP ending (60% for conversion)	23,000 units
Beginning WIP direct materials	\$35,000
Beginning WIP conversion costs	\$22,500
Costs of materials added	\$384,100
Costs of conversion added	\$271,125

- 152) What are the total equivalent units for direct materials at Sunrise Corporation? 152) _____
A) 130,500 B) 139,700 C) 135,900 D) 143,500
- 153) What are the total equivalent units for conversion costs at Sunrise Corporation? 153) _____
A) 139,700 B) 126,300 C) 128,200 D) 130,500
- 154) What is the cost per equivalent unit for direct materials at Sunrise Corporation? 154) _____
A) \$3.08 B) \$2.75 C) \$3.00 D) \$3.21
- 155) What is the cost per equivalent unit for conversion costs at Sunrise Corporation? 155) _____
A) \$2.08 B) \$2.10 C) \$2.25 D) \$2.32
- 156) What is the total cost of units completed and transferred out at Sunrise Corporation? 156) _____
A) \$615,381 B) \$612,675 C) \$563,317 D) \$632,625
- 157) What is the total cost of units remaining in ending WIP at Sunrise Corporation? 157) _____
A) \$100,050 B) \$120,750 C) \$69,000 D) \$91,908

Use the information below to answer the following questions:

The Weighted Average method is used for process costing at Onyx Incorporated, direct materials are added at the beginning of the process and conversions costs are uniformly applied. Other details include:

WIP beginning (70% for conversion)	15,200 units
Units started	150,000 units
Units completed and transferred out	120,000 units
WIP ending (50% for conversion)	45,200 units
Beginning WIP direct materials	\$52,500
Beginning WIP conversion costs	\$25,200
Costs of materials added	\$443,100
Costs of conversion added	\$260,000

- 158) What are the total equivalent units for direct materials at Onyx Incorporated? 158) _____
A) 195,200 B) 165,200 C) 135,200 D) 142,600
- 159) What are the total equivalent units for conversion costs at Onyx Corporation? 159) _____
A) 130,460 B) 165,200 C) 151,640 D) 142,600
- 160) What is the cost per equivalent unit for direct materials at Onyx Corporation? 160) _____
A) \$3.48 B) \$2.68 C) \$3.67 D) \$3.00
- 161) What is the cost per equivalent unit for conversion costs at Onyx Corporation? 161) _____
A) \$2.00 B) \$2.18 C) \$1.73 D) \$1.82
- 162) What is the total cost of units completed and transferred out at Onyx Corporation? 162) _____
A) \$600,000 B) \$540,658 C) \$628,696 D) \$750,000
- 163) What is the total cost of units remaining in ending WIP at Onyx Corporation? 163) _____
A) \$226,000 B) \$180,800 C) \$135,600 D) \$162,442
- 164) Beginning WIP inventory is 12,500 units, 55% complete for materials. During the month 80,000 units were started; 84,000 were finished; and ending WIP was 8,500 units that were 40% complete for materials. How many equivalent units should be used to allocate costs for materials (assume that the weighted average method is used)? 164) _____
A) 83,400 B) 88,675 C) 87,400 D) 90,875
- 165) Assume 10,000 units were in beginning WIP; 40,000 units were started; 43,000 units were completed; and 7,000 units were in ending WIP. Materials are added at the beginning of the process. What are the total equivalent units for materials, assuming that the weighted-average method is used? 165) _____
A) 47,000 B) 53,000 C) 40,000 D) 50,000

- 166) Ending WIP inventory has 100 units that are 80% complete for direct materials and 30% complete for conversion costs. For calculating weighted-average costs per equivalent unit, which of the following statements is true? 166) _____
- A) The denominator would include 20 units for direct materials and 70 for conversion.
 - B) The denominator would include 100 units for both.
 - C) The denominator would include 80 units for direct materials and 30 for conversion.
 - D) You cannot determine what constitutes the denominator.
- 167) In a particular department, 5,000 units were started and all but 600 were completed at the end of the period. These 600 were 70% complete for materials and 45% for conversion costs. Costs added were \$52,300 for materials and \$53,500 for conversion costs. What is the total number of equivalent units for direct materials assuming that the weighted-average method is used? 167) _____
- A) 4,820
 - B) 4,400
 - C) 5,420
 - D) 4,670
- 168) In a particular department, 5,000 units were started and all but 600 were completed at the end of the period. These 600 were 70% complete for materials and 45% for conversion costs. Costs added were \$52,300 for materials and \$53,500 for conversion costs. What is the total number of equivalent units for conversion costs assuming that the weighted-average method is used? 168) _____
- A) 5,270
 - B) 4,800
 - C) 4,670
 - D) 5,000
- 169) Assume no beginning WIP inventory. The ending WIP inventory is 30% complete for materials. The total number of equivalents for materials would be 169) _____
- A) less than the units started.
 - B) equal to the units started.
 - C) less than the units completed.
 - D) equal to the units completed.
- 170) During a period, 40,000 units were completed and 3,500 units were in ending WIP inventory. Ending WIP was 80% complete for direct materials and 30% complete for conversion costs. What are the equivalent units for direct materials assuming that the weighted-average method is used? 170) _____
- A) 34,800
 - B) 42,800
 - C) 41,050
 - D) 43,500
- 171) During a period, 40,000 units were completed and 3,500 units were in ending WIP inventory. Ending WIP was 80% complete for direct materials and 30% complete for conversion costs. What are the equivalent units for conversion costs assuming that the weighted-average method is used? 171) _____
- A) 42,800
 - B) 43,500
 - C) 13,050
 - D) 41,050

Use the information below to answer the following questions:

The Adams Company uses a process costing system. During the current period, 1,600 units were started and 1,200 units were completed and transferred out. Ending units were 70% complete for materials and 35% complete for conversion costs. Direct materials costs added were \$32,500 and conversion costs added were \$31,400. There was no beginning WIP inventory and costs are added evenly throughout the process.

- 172) At the end of the period, what are the total equivalent units for direct materials for the Adams Company? 172) _____
- A) 1,600
 - B) 1,480
 - C) 1,340
 - D) 1,200

- 173) At the end of the period, what are the total equivalent units for conversion costs for the Adams Company? 173) _____
 A) 1,340 B) 1,400 C) 1,480 D) 1,200
- 174) At the end of the period, the cost per equivalent unit for conversion costs for the Adams Company would be closest to 174) _____
 A) \$26.17. B) \$23.43. C) \$21.96. D) \$27.08.
- 175) At the end of the period, the cost per equivalent unit for direct materials for the Adams Company would be closest to 175) _____
 A) \$21.96. B) \$26.17. C) \$23.43. D) \$27.08.
- 176) There are 36,000 units started. 27,000 were completed and transferred out and the 9,000 remaining units were 40% complete for conversion costs. The total number of equivalent units for conversion costs is assuming the weighted-average method is 176) _____
 A) 3,600. B) 30,600. C) 14,400. D) 27,000.
- 177) The following information is provided by Sussman Company: 177) _____

WIP inventory, January 1	0 units
Units started	15,000 units
Units completed and transferred out	7,000 units
WIP inventory, December 31	8,000 units
Costs added during the period:	
Direct materials	\$23,500
Direct labour	\$13,700
Manufacturing overhead	\$11,000

The units were 90% complete for materials and 40% complete for conversion costs.

How much are the total costs for which Sussman has to account (i.e., its total costs to account for)?

- A) \$37,200 B) \$48,200 C) \$24,700 D) \$23,500

Use the information below to answer the following questions:

Germ Away Ltd. a disinfectant manufacturer offers the following information:

WIP inventory, January 1	0 units
Units started	21,500 units
Units completed and transferred out	14,500 units
WIP inventory, December 31	7,000 units
Costs added during the period:	
Direct materials	\$252,500
Direct labour	\$592,500
Manufacturing overhead	\$375,100

The units in ending WIP inventory were 60% complete for materials and 40% complete for conversion costs.

- 178) On December 31, what are the total equivalent units for direct materials for Germ Away Ltd.? 178) _____
A) 17,300 B) 18,700 C) 21,500 D) 25,700
- 179) On December 31, the cost per equivalent unit for materials for Germ Away would be closest to 179) _____
A) \$14.60. B) \$9.82. C) \$13.50. D) \$20.06.
- 180) On December 31, what are the total equivalent units for conversion costs for Germ Away? 180) _____
A) 14,500 B) 24,300 C) 17,300 D) 18,700
- 181) On December 31, the cost per equivalent unit for conversion costs for Germ Away would be closest to 181) _____
A) \$36.28. B) \$48.84. C) \$55.93. D) \$39.82.
- 182) What is the total cost of units in ending WIP for Germ Away Ltd.? 182) _____
A) \$291,620 B) \$486,033 C) \$156,606 D) \$213,304
- 183) On December 31, what is the total cost of units completed and transferred for Germ Away? 183) _____
A) \$1,067,342 B) \$1,006,735 C) \$773,163 D) \$1,022,627

Use the information below to answer the following questions:

Dente Pasta Ltd. a specialty pasta maker gives us their data for the year:

WIP inventory, beginning	0 units
Units started	7,200 units
Units completed and transferred out	6,700 units
WIP inventory, ending	500 units
Costs added during the period:	
Direct materials	\$12,600
Direct labour	\$6,100
Manufacturing overhead	\$3,500

Units in ending WIP inventory were 100% complete for materials and 40% complete for conversion costs.

- 184) On December 31, the cost per equivalent unit for direct materials at Dente Pasta Ltd. would be closest to 184) _____
 A) \$1.75. B) \$1.39. C) \$1.64. D) \$1.83.
- 185) On December 31, the cost per equivalent unit for conversion costs at Dente Pasta Ltd. would be closest to 185) _____
 A) \$1.33. B) \$1.75. C) \$0.88. D) \$1.39.
- 186) On December 31, the total cost of the units in ending WIP at Dente Pasta Ltd. would be closest to 186) _____
 A) \$1,571. B) \$1,052. C) \$1,153. D) \$21,047.
- 187) On December 31, the total costs of units complete and transferred at Dente Pasta would be closest to 187) _____
 A) \$15,124. B) \$21,038. C) \$22,617. D) \$1,153.
- 188) Raw materials purchased were \$17,800 and ending inventory of raw materials was \$4,300. If raw materials beginning inventory was 25% of materials used in the process, what was the cost of materials used in production? 188) _____
 A) \$10,125 B) \$23,733 C) \$18,000 D) \$29,467

Use the information below to answer the following questions:

Pizza Company produces frozen pizzas in three departments: assembly, freezing and packaging. In assembly, crust ingredients added at the beginning of the process. After the crust is made, the sauce, cheese, and toppings are added at the end of the process. Conversion costs are added evenly. Data for the assembly department includes:

Beginning WIP inventory	0 units
Units started	22,000 units
Units completed/transferred to freezing	19,800 units
Ending WIP (70% through assembly)	2,200 units
Crust ingredients added	\$31,000
Cheese added	\$16,000
Sauce and toppings added	\$8,000
Direct labour	\$22,216
Manufacturing overhead	\$5,486

- 189) At Pizza Company the cost per equivalent unit for crust ingredients would be closest to 189) _____
A) \$1.41. B) \$1.14. C) \$1.21. D) \$1.30.
- 190) At Pizza Company the cost per equivalent unit for cheese, sauce, and toppings would be closest to 190) _____
A) \$1.30. B) \$1.21. C) \$1.41. D) \$1.14.
- 191) At Pizza Company the cost per equivalent unit for conversion costs would be closest to 191) _____
A) \$1.41. B) \$1.30. C) \$1.04. D) \$1.08.
- 192) At Pizza Company the cost per equivalent unit for material costs would be closest to 192) _____
A) \$2.50. B) \$2.62. C) \$1.00. D) \$0.50.
- 193) At Pizza Company the total costs to account for is 193) _____
A) \$55,000. B) \$27,702. C) \$82,702. D) \$22,126.
- 194) At Pizza Company the total cost of ending WIP is 194) _____
A) \$5,500. B) \$5,600. C) \$5,104. D) \$7,702.

Use the information below to answer the following questions:

Hannish Orchards, a juice manufacturer, uses a process that adds flavouring at the beginning of the process and vitamins and minerals 70% of the way through the process. Conversion costs are evenly distributed. Assume there are no beginning inventory. The company started making 10,000 gallons of the drink, and the 2,000 gallons left in ending WIP were 40% of the way through the process.

Costs incurred during the period were:

\$9,500	for flavouring
\$6,500	for vitamins/minerals
\$4,800	for conversion costs

- 195) The equivalent units for flavouring at Hannish Orchards is 195) _____
 A) 8,800. B) 10,000. C) 2,000. D) 12,000.
- 196) The number of equivalent units for vitamins and minerals at Hannish Orchards is 196) _____
 A) 8,800. B) 2,000. C) 8,000. D) 10,000.
- 197) The number of equivalent units for conversion costs at Hannish Orchards is 197) _____
 A) 10,000. B) 8,800. C) 2,000. D) 10,800.
- 198) The cost assigned to ending work in process at Hannish Orchards would be closest to 198) _____
 A) \$1,900. B) \$4,616. C) \$2,336. D) \$2,991.
- 199) The first-in, first-out method computes unit costs by 199) _____
 A) adding opening inventory units to work-in-process units and dividing by total cost.
 B) the standard-costing method.
 C) separately identifying the conversion costs of beginning and ending inventories.
 D) dividing total units by units completed this period.
 E) confining equivalent units to the work completed during the current period only.

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

Use the information below to answer the following question(s).

Hollywood North Magic, a cosmetic manufacturer, began operations in January. During the first month of operations, \$60,750 was incurred for direct materials and \$90,450 was incurred for conversion costs. During January, 30,000 litres of cosmetics were started and 6,000 litres were unfinished at the end of the month. Ending work-in-process was 50% completed. All inputs are added evenly throughout the production process.

- 200) Calculate the Number of Equivalent units of direct materials and conversion for January. 200) _____
- 201) Calculate the Cost per equivalent unit for direct materials and conversion for January. 201) _____

202) Calculate the cost of units completed and transferred out. 202) _____

203) Calculate the cost of units remaining in ending inventory. 203) _____

204) Jansen Company uses the weighted-average method for process costing. Direct materials added at the beginning of the process and conversion costs are uniformly applied. Other d include: 204) _____

WIP beginning (40% for conversion)	22,500 units
Units started	130,000 units
Units completed and transferred out	124,000 units
WIP ending (60% for conversion)	28,500 units
Beginning WIP direct materials	\$51,900
Beginning WIP conversion costs	\$20,174
Costs of materials added	\$430,000
Costs of conversion added	\$310,000

Required:

- A. What are the total equivalent units for direct materials?
- B. What are the total equivalent units for conversion costs?
- C. What is the cost per equivalent unit for direct materials?
- D. What is the cost per equivalent unit for conversion costs?
- E. What is the total cost of units completed and transferred out?
- F. What is the total cost of units remaining in ending WIP?

205) The Assembly Department of Watts Speakers began November with no work in process inventory. During the month, production that cost \$79,800 (direct materials, \$19,800, and conversion costs, \$60,000) was started on 46,000 units. Watts completed and transferred to Testing Department a total of 30,000 units. The ending work in process inventory was 37.5 complete as to direct materials and 80% complete as to conversion costs. 205) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

206) The Assembly Department of Watts Speakers began June with no work in process inventory. During the month, production that cost \$68,595 (direct materials, \$19,635, and conversion \$48,960) was started on 58,000 units. Watts completed and transferred to the Testing Department a total of 40,000 units. The ending work in process inventory was 40% complete as to direct materials and 80% complete as to conversion costs. 206) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

207) The Assembly Department of Zoom Auto Parts began September with no work in process inventory. During the month, production that cost \$136,719 (direct materials, \$39,195, and conversion costs, \$97,524) was started on 116,000 units. Zoom completed and transferred to the Testing Department a total of 103,000 units. Materials are added at the start of the process. The ending work in process inventory was 80% complete as to conversion costs. 207) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

208) The Assembly Department of Zoom Auto Parts began April with no work in process inventory. During the month, production that cost \$71,345 (direct materials, \$27,825, and conversion costs, \$53,520) was started on 52,000 units. Zoom completed and transferred to the Testing Department a total of 43,000 units. The ending work in process inventory was 50% complete as to direct materials and 75% complete as to conversion costs. 208) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

209) The Assembly Department of Zoom Auto Parts began April with 10,000 partially complete units in beginning work in process inventory. The beginning work in process inventory balance of \$48,762 consisted of \$21,120 of direct materials and \$27,642 of conversion costs. During the month, production that cost \$192,000 (direct materials, \$76,800, and conversion costs, \$115,200) was started on 32,000 units. Zoom completed and transferred to the Testing Department a total of 36,000 units. The ending work in process inventory was 40% complete as to direct materials and 65% complete as to conversion costs. Zoom Auto Parts uses the weighted-average method for process costing.

209) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

210) The Assembly Department of Zoom Auto Parts began June with 15,000 partially complete units in beginning work in process inventory. The beginning work in process inventory balance of \$71,762 consisted of \$31,286 of direct materials and \$40,476 of conversion costs. During the month, production that cost \$288,000 (direct materials, \$115,500, and conversion costs, \$172,500) was started on 48,000 units. Zoom completed and transferred to the Testing Department a total of 54,000 units. The ending work in process inventory was 45% complete as to direct materials and 80% complete as to conversion costs. Zoom Auto Parts uses the weighted-average method for process costing.

210) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

211) The Assembly Department of Watts Speakers began April with 12,000 partially complete units in beginning work in process inventory. The beginning work in process inventory balance of \$57,402 consisted of \$25,056 of direct materials and \$32,346 of conversion costs. During the month, production that cost \$230,000 (direct materials, \$92,000, and conversion costs, \$138,000) was started on 38,000 units. Watts completed and transferred to the Testing Department a total of 43,000 units. The ending work in process inventory was 60% complete as to direct materials and 85% complete as to conversion costs. Watts Speakers uses the weighted-average method for process costing.

211) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

212) The Assembly Department of Watts Speakers began November with 18,000 partially complete units in beginning work in process inventory. The beginning work in process inventory balance of \$85,014 consisted of \$38,000 of direct materials and \$47,014 of conversion costs. During the month, production that cost \$350,715 (direct materials, \$138,715, and conversion costs, \$212,000) was started on 90,000 units. Watts completed and transferred to the Testing Department a total of 99,000 units. The ending work in process inventory was 55% complete as to direct materials and 75% complete as to conversion costs. Watts Speakers uses the weighted-average method for process costing.

212) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

213) This company uses the weighted average method of process costing. Direct materials are added at the beginning of the process and conversions costs are uniformly applied. Other details include:

213) _____

WIP beginning (50% for conversion)	28,400 units
Units started	124,000 units
Units completed and transferred out	107,000 units
WIP ending (50% for conversion)	45,400 units
Beginning WIP direct materials	\$53,200
Beginning WIP conversion costs	\$19,600
Costs of materials added	\$442,100
Costs of conversion added	\$304,650

Required:

- a. What are the total equivalent units for direct materials?
- b. What are the total equivalent units for conversion costs?
- c. What is the cost per equivalent unit for direct materials?
- d. What is the cost per equivalent unit for conversion costs?
- e. What is the total cost of units completed and transferred out?
- f. What is the total cost of units remaining in ending WIP?

- 214) The managerial accountant at Print Manufacturing reported a grand opening at the new facility in Saskatchewan. According to the reports, the direct material costs reported in the new operation are \$1,750,000 and there are \$1,900,000 total conversion costs. The managerial accountant also reported that there were 600,000 parts started in the operations in December and 500,000 parts completed during the month of December. Direct materials are added at the start of the process and the ending Work In Process Inventory was 30% complete as to the conversion work. 214) _____

Required:

- A. Compute the equivalent units for direct materials and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

ESSAY. Write your answer in the space provided or on a separate sheet of paper.

- 215) What is the difference between a weighted-average method of process costing and a first-in, first-out method of process costing?

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

- 216) The journal entry to record the use of direct materials in Processing Department #1 would include a debit to WIP-Processing Department #1. 216) _____
- 217) The journal entry to record the use of direct materials in Processing Department #1 would include a credit to WIP-Processing Department #1. 217) _____
- 218) The journal entry to record the use of direct materials in Processing Department #1 would include a debit to Raw Materials inventory. 218) _____
- 219) The journal entry to record the use of direct materials in Processing Department #1 would include a credit to Raw Materials inventory. 219) _____
- 220) The journal entry to record the use of direct labour in Processing Department #1 would include a debit to WIP-Processing Department #1. 220) _____
- 221) The journal entry to record the use of direct labour in Processing Department #1 would include a credit to WIP-Processing Department #1. 221) _____
- 222) The journal entry to record the use of direct labour in Processing Department #1 would include a debit to Wages Payable. 222) _____
- 223) The journal entry to record the use of direct labour in Processing Department #1 would include a credit to Wages Payable. 223) _____

- 224) The journal entry to record the ultimate completion of the units would include a debit to Finished Goods Inventory. 224) _____
- 225) The journal entry to record the ultimate completion of the units would include a credit to the WIP inventory account of the last sequential production department. 225) _____
- 226) The journal entry to record the ultimate completion of the units would include a credit to Finished Goods Inventory. 226) _____
- 227) The journal entry to record the ultimate completion of the units would include a debit to the WIP inventory account of the last sequential production department. 227) _____
- 228) When the units are sold, Finished Goods Inventory is debited. 228) _____
- 229) When the units are sold, Finished Goods Inventory is credited. 229) _____
- 230) When the units are sold, Cost of Goods Sold is debited. 230) _____
- 231) When the units are sold, Cost of Goods Sold is credited. 231) _____
- 232) In process costing the Manufacturing Overhead account is debited with actual manufacturing overhead costs. 232) _____
- 233) In process costing the Manufacturing Overhead account is credited with actual manufacturing overhead costs. 233) _____
- 234) In process costing the Work in Process account is debited with actual manufacturing overhead costs. 234) _____
- 235) In process costing the Work in Process account is debited with allocated manufacturing overhead costs. 235) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 236) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which account is debited when the balls are totally completed? 236) _____
- A) Finished goods inventory B) WIP inventory-colouring
C) Manufacturing overhead D) WIP inventory-finishing

- 237) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which of the following accounts is credited when manufacturing overhead is applied? 237) _____
- A) Manufacturing Overhead
 - B) Indirect salaries payable
 - C) WIP inventory-finishing
 - D) Accumulated amortization, office equipment
- 238) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which of the following accounts is credited for direct labour used during the molding process? 238) _____
- A) Raw materials inventory
 - B) WIP inventory-molding
 - C) Manufacturing overhead
 - D) Wages payable
- 239) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. The purchase of materials includes a 239) _____
- A) debit to WIP inventory-molding.
 - B) credit to raw materials inventory.
 - C) debit to raw materials inventory.
 - D) credit to manufacturing overhead.
- 240) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Requisition of materials to molding includes a 240) _____
- A) credit to finished goods inventory.
 - B) debit to manufacturing overhead.
 - C) credit to raw materials inventory.
 - D) debit to raw materials inventory.
- 241) The entry to record actual manufacturing overhead costs incurred in a process department would include a 241) _____
- A) credit to manufacturing overhead.
 - B) credit WIP inventory.
 - C) debit to manufacturing overhead.
 - D) debit to WIP inventory.
- 242) The entry to record the use of direct materials in production would include a 242) _____
- A) debit to raw materials inventory.
 - B) debit to finished goods inventory.
 - C) credit to finished goods inventory.
 - D) debit to WIP inventory.
- 243) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which of the following accounts is debited when material is purchased? 243) _____
- A) Raw materials inventory
 - B) WIP inventory-finishing
 - C) Manufacturing overhead
 - D) Finished goods inventory
- 244) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which account is credited when the balls are totally completed? 244) _____
- A) Manufacturing overhead
 - B) WIP inventory-finishing
 - C) WIP inventory-colouring
 - D) Finished goods inventory

- 245) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which of the following accounts is debited for manufacturing overhead expenses incurred? 245) _____
- A) WIP inventory-finishing B) Raw materials inventory
C) Manufacturing overhead D) Finished goods inventory
- 246) ABC produces ping-pong balls using a three-step process that includes molding, colouring and finishing. Which of the following accounts is debited for conversion costs? 246) _____
- A) Cost of goods sold B) Finished goods inventory
C) WIP inventory-finishing D) Raw materials inventory

Use the information below to answer the following question(s).

Father Time Clock Shop manufactures clocks on an automated assembly line. It utilizes two cost categories: direct materials and conversion costs. Each product must pass through the Assembly Department and the Testing Department. Direct materials are added at the beginning of production, while conversion costs are allocated evenly throughout production, and the company uses weighted-average costing.

Data for the Assembly Department are:

Work in process, beginning inventory	250 units
Direct materials (100% complete)	
Conversion costs (50% complete)	
Units started during June	800 units
Work in process, ending inventory	150 units
Direct materials (100% complete)	
Conversion costs (75% complete)	
Work in process, beginning inventory:	
Direct materials	\$180,000
Conversion costs	\$270,000
Direct materials costs added during June	\$1,000,000
Direct labour costs added during June	\$600,000
Manufacturing overhead actual during June	\$825,000
Manufacturing overhead applied during June	\$900,000

247) Which of the following entries would be made to record the issue of direct materials to the Assembly Department for the current month?

247) _____

- A)

WIP Assembly Department		180,000	
	Raw Materials Inventory		180,000
- B)

Raw Materials Inventory		1,000,000	
	Accounts Payable		1,000,000
- C)

WIP Assembly Department		1,180,000	
	Raw Materials Inventory		1,180,000
- D)

WIP Assembly Department		1,000,000	
	Raw Materials Inventory		900,000

248) Which of the following entries would be made to record the overhead charged to the Assembly Department for the current month? 248) _____

A)	WIP Assembly Department		75,000	
		Accounts Payable		75,0
B)	WIP Assembly Department		825,000	
		Various Payable Accounts		825,0
C)	WIP Assembly Department		825,000	
		Manufacturing Overhead		825,0
D)	WIP Assembly Department		900,000	
		Manufacturing Overhead		1,000,0

SHORT ANSWER. Write the word or phrase that best completes each statement or answers the question.

249) Record the following process costing transactions in the general journal: 249) _____

- a. Purchase of raw materials on account, \$18,000
- b. Requisition of direct materials to:
 - Assembly Department, \$8,000
 - Finishing Department, \$4,000
- c. Incurrence and payment of manufacturing labour, \$21,600
- d. Incurrence of manufacturing overhead costs:
 - Property taxes-plant, \$3,800
 - Utilities-plant, \$9,000
 - Insurance-plant, \$2,200
 - Depreciation-plant, \$6,800
- e. Assignment of conversion costs to the Assembly Department:
 - Direct labour, \$9,400
 - Manufacturing overhead, \$5,800
- f. Assignment of conversion costs to the Finishing Department:
 - Direct labour, \$8,800
 - Manufacturing overhead, \$12,400
- g. Cost of goods completed and transferred out of the Assembly Department to the Finishing Department, \$20,500
- h. Cost of goods completed and transferred out of the Finishing Department into Finished Goods Inventory, \$31,200

250) Record the following process costing transactions in the general journal:

- a. Purchase of raw materials on account, \$27,000
- b. Requisition of direct materials to:
 - Assembly Department, \$12,000
 - Finishing Department, \$8,000
- c. Incurrence and payment of manufacturing labour, \$32,500
- d. Incurrence of manufacturing overhead costs:
 - Property taxes–plant, \$5,500
 - Utilities–plant, \$13,500
 - Insurance–plant, \$3,300
 - Depreciation–plant, \$10,000
- e. Assignment of conversion costs to the Assembly Department:
 - Direct labour, \$14,000
 - Manufacturing overhead, \$9,500
- f. Assignment of conversion costs to the Finishing Department:
 - Direct labour, \$12,000
 - Manufacturing overhead, \$18,500
- g. Cost of goods completed and transferred out of the Assembly Department to the Finishing Department, \$31,500
- h. Cost of goods completed and transferred out of the Finishing Department into Finished Goods Inventory, \$46,700

250) _____

251) Record the following process costing transactions in the general journal:

- a. Purchase of raw materials on account, \$36,000
- b. Requisition of direct materials to:
 - Assembly Department, \$16,000
 - Finishing Department, \$8,000
- c. Incurrence and payment of manufacturing labour, \$44,000
- d. Incurrence of manufacturing overhead costs:
 - Property taxes–plant, \$7,200
 - Utilities–plant, \$18,000
 - Insurance–plant, \$4,500
 - Depreciation–plant, \$13,500
- e. Assignment of conversion costs to the Assembly Department:
 - Direct labour, \$19,000
 - Manufacturing overhead, \$23,000
- f. Assignment of conversion costs to the Finishing Department:
 - Direct labour, \$15,500
 - Manufacturing overhead, \$26,000
- g. Cost of goods completed and transferred out of the Assembly Department to the Finishing Department, \$42,000
- h. Cost of goods completed and transferred out of the Finishing Department into Finished Goods Inventory, \$60,000

251) _____

252) Record the following process costing transactions in the general journal:

252) _____

- a. Purchase of raw materials on account, \$72,000
- b. Requisition of direct materials to:
 - Assembly Department, \$21,000
 - Finishing Department, \$12,000
- c. Incurrence and payment of manufacturing labour, \$68,500
- d. Incurrence of manufacturing overhead costs:
 - Property taxes-plant, \$16,000
 - Utilities-plant, \$36,000
 - Insurance-plant, \$8,500
 - Depreciation-plant, \$27,500
- e. Assignment of conversion costs to the Assembly Department:
 - Direct labour, \$40,000
 - Manufacturing overhead, \$24,500
- f. Assignment of conversion costs to the Finishing Department:
 - Direct labour, \$34,000
 - Manufacturing overhead, \$48,000
- g. Cost of goods completed and transferred out of the Assembly Department to the Finis Department, \$82,000
- h. Cost of goods completed and transferred out of the Finishing Department into Finishe Goods Inventory, \$125,000

253) The following production-cost worksheet has been prepared for the month of December fi
Ag Chemical.

253) _____

Production-Cost Worksheet
Weighted-Average Method of Process Costing
Ag Chemical
December, 2016

Costs	Totals	Direct Materials	Conversion
Work in process, beginning	\$36,000	\$12,000	\$24,000
Costs added during period	<u>114,000</u>	<u>40,000</u>	<u>74,000</u>
Total costs to account for	\$150,000	\$52,000	\$98,000
Divided by equivalent units		<u>20,000</u>	<u>14,000</u>
Equivalent unit costs	\$9.60	\$2.60	\$7.00

Assignment of costs:

Costs transferred out (12,000 × \$9.60)	\$115,200
Work in process, ending:	
Direct materials (8,000 × \$2.6)	20,800
Conversion (2,000 × \$7)	<u>14,000</u>
Costs accounted for	<u>\$150,000</u>

Required:

Prepare general journal entries for the following:

- a. Record costs of materials put into process for December.
- b. Record conversion costs put into process in December.
- c. Record goods transferred-out to finished goods for December.

Use the information below to answer the following question(s).

Hollywood North Magic (HNM), a cosmetic manufacturer, began operations in January. During the first month of operations, HNM purchased and received \$84,000 of raw materials on account. In January, \$60,750 in direct materials was requisitioned by the production department and \$90,450 was incurred for conversion costs. During January, 30,000 litres of cosmetics were started and 6,000 litres were unfinished at the end of the month. Ending work-in-process was 50% completed. All inputs are added evenly throughout the production process.

254) Create the journal entries needed to record the HNM's transactions during January. 254) _____

TRUE/FALSE. Write 'T' if the statement is true and 'F' if the statement is false.

255) In a process costing system, costs flow into finished goods inventory only from the work in process inventory of the last process. 255) _____

256) Costs are transferred, along with the units, from one WIP inventory to the next. 256) _____

257) If a company has a series of processes, the company uses multiple work-in-process accounts. 257) _____

258) The entry to transfer goods in process from Dept. A to Dept. B includes a credit to WIP inventory in Dept A. 258) _____

259) Transferred-in costs are incurred in a previous process and are carried forward as part of the product's cost when it moves to the next process. 259) _____

260) Second or subsequent departments must account for units and costs transferred in from previous departments. 260) _____

261) The cost per equivalent unit must be computed for transferred-in costs, as well as direct materials and conversions costs, in a subsequent department. 261) _____

262) Product cost reports are done only for the final department in process costing. 262) _____

263) When calculating equivalent units in a second or later processing department, all physical units should be considered 100% complete with respect to transferred-in work and costs. 263) _____

264) When calculating equivalent units in a second or later processing department, all physical units should be considered 50% complete with respect to transferred-in work and costs. 264) _____

265) When units are transferred from Processing Department #1 to Processing Department #2, a debit is made to WIP-Processing Department #2 to reflect the transferred-in costs. 265) _____

266) When units are transferred from Processing Department #1 to Processing Department #2, a credit is made to WIP-Processing Department #2 to reflect the transferred-in costs. 266) _____

- 267) When units are transferred from Processing Department #1 to Processing Department #2, a debit is made to WIP-Processing Department #1 to reflect the transferred-out costs. 267) _____
- 268) When units are transferred from Processing Department #1 to Processing Department #2, a credit is made to WIP-Processing Department #1 to reflect the transferred-out costs. 268) _____
- 269) All physical units, whether completed and transferred out or still in ending work in process, are considered 100% complete with respect to transferred-in work and costs. 269) _____

MULTIPLE CHOICE. Choose the one alternative that best completes the statement or answers the question.

- 270) In a process costing system, the number of WIP inventories _____
A) cannot equal the number of parts used in the product.
B) equals the number of products produced.
C) equals the number used in a job cost system.
D) equals the number of production departments.
- 271) In a process system with multiple processes, the cost of units completed in department one is transferred to _____
A) WIP in department two. B) finished goods.
C) overhead. D) cost of goods sold.
- 272) Which of the following is unique to a process costing system? _____
A) Work is not started on a product until an order is received.
B) Costs for each process stay with that process until the goods are moved to finished goods.
C) Direct materials, direct labour and manufacturing overhead are assigned to the first department only.
D) Each process has its own WIP account.

Use the information below to answer the following questions:

At Polson Company, materials are added at the beginning of the process and conversion costs are added uniformly.

Work in process, beginning:	
Number of units	8,000
Transferred-in costs	\$88,000
Direct materials (100%)	\$18,500
Conversion costs (70%)	\$24,700
Units transferred-in:	
Number of units	45,000
Transferred-in costs	\$630,000
Units completed	42,000
Costs during the period:	
Direct materials	\$157,500
Conversion costs	\$230,725
Work in process, ending:	
Number of units	11,000
(100% complete for materials and 45% complete for conversion)	

- 273) On March 31, what is the total number of physical units to account for at Polson Company? 273) _____
A) 53,000 B) 42,000 C) 45,000 D) 39,000
- 274) On March 31, what would be the total equivalent units for direct materials at Polson Company? 274) _____
A) 39,000 B) 42,000 C) 53,000 D) 50,000
- 275) At Polson Company the total cost of units remaining in ending WIP inventory is closest to 275) _____
A) \$212,477. B) \$225,301. C) \$63,458. D) \$245,391.
- 276) At Polson Company the total cost of units transferred to finished goods is closest to 276) _____
A) \$367,967. B) \$1,003,873. C) \$936,948. D) \$1,149,425.

Use the information below to answer the following questions:

Units:

Beginning WIP	52,000
80% for materials	
30% for conversion	
Transferred-in	200,000
Completed	228,000
Ending WIP	
50% for materials	
10% for conversion	24,000

Costs:

Beginning WIP	
Direct materials	\$ 68,000
Conversion	146,200
Transferred-in	<u>94,000</u>
Total Beginning WIP	\$ 308,200
Transferred-in from department 1	\$1,600,000
Direct materials added	\$ 907,250
Conversion added	\$ 542,000

277) If the Singleton Company uses the weighted-average method, then the what is the closest amount that would be transferred to finished goods inventory? 277) _____

- A) \$3,357,409 B) \$3,140,185 C) \$3,049,250 D) \$1,607,519

278) If the Singleton Company uses the weighted-average method, then the what is the closest amount that would be in WIP ending inventory? 278) _____

- A) \$55,931 B) \$330,546 C) \$308,200 D) \$217,265

Use the information below to answer the following questions:

Brooks Corporation uses the weighted-average method for process costing and has two sequential processing departments: Assembly then Shaping. The Shaping Department reports the following information.

Beginning WIP inventory	6,000 units
Transferred-in costs in beginning WIP inventory	\$108,000
Direct materials cost in beginning WIP inventory	\$26,500
Conversion costs in beginning WIP inventory	\$20,750
Units transferred in	55,000 units
Transferred-in costs	\$530,000
Units completed	50,000
Costs added: direct materials	\$163,500
Costs added: conversion costs	\$225,300
Ending WIP inventory	11,000 units
(50% complete for materials and 40% complete for conversion)	

279) At Brooks Corporation what is the total number of equivalent units for direct materials? 279) _____

- A) 50,000 B) 60,500 C) 55,500 D) 53,000

- 280) What is the total number of equivalent units for conversion costs at Brooks Corporation? 280) _____
 A) 54,400 B) 59,400 C) 52,400 D) 61,000
- 281) At Brooks Corporation the total cost of units in ending WIP inventory-Shaping would be closest 281) _____
 to
 A) \$153,779. B) \$38,730. C) \$202,460. D) \$110,433.
- 282) At Brooks Corporation the total cost of units transferred to finished goods would be closest to 282) _____
 A) \$1,012,298. B) \$920,271. C) \$397,320. D) \$918,800.

Use the information below to answer the following questions:

Goody Company adds direct materials at the beginning of the process and adds conversion costs throughout the process. The company uses the weighted-average method for process costing. Data for the finishing department follows:

WIP, April 1	12,000 units
Transferred-in costs in WIP, April 1	\$78,940
Direct materials (100%) in WIP, April 1	\$22,420
Conversion costs (70%) in WIP, April 1	\$21,385
Units transferred in	45,000
Transferred-in costs during April	\$540,900
Units completed	42,000
April direct materials cost	\$157,500
April conversion costs	\$230,837
WIP, April 30	15,000 units
(100% for materials and 60% for conversion costs)	

- 283) The total number of physical units for which we have to account is 283) _____
 A) 42,000. B) 54,000. C) 57,000. D) 60,000.
- 284) At Goody Company what are the equivalent units for conversion costs? 284) _____
 A) 52,500 B) 49,200 C) 51,000 D) 57,000
- 285) At the Goody Company the cost per equivalent unit for conversion costs would be closest to 285) _____
 A) \$4.42. B) \$4.80. C) \$4.95. D) \$5.13.
- 286) What are the equivalent units for direct materials at Goody Company? 286) _____
 A) 60,000 B) 51,000 C) 54,000 D) 57,000

- 287) Blousson Company has two sequential processing departments: Assembly then Shaping. The Shaping Department reports the following information. Conversion costs are applied evenly throughout the process. 287) _____

Beginning WIP inventory	7,000 units
Transferred-in costs in beginning WIP inventory	\$98,000
Direct materials costs in beginning WIP inventory	\$24,500
Conversion costs in beginning WIP inventory	\$22,750
Units transferred in	45,000 units
Transferred-in costs	\$630,000
Units completed	42,000
Costs added: materials	\$155,040
Costs added: conversion	\$230,710
Ending WIP inventory	10,000 units
(50% complete for materials and 40% complete for conversion)	

What would have been the journal entry to record the transfer of product from the assembly department to the shaping department?

- A) WIP-shaping (Dr); WIP-assembly (Cr) 728,000
 B) WIP-shaping (Dr); WIP-assembly (Cr) 630,000
 C) WIP-assembly (Dr); WIP-shaping (Cr) 728,000
 D) WIP-assembly (Dr); WIP-shaping (Cr) 630,000
- 288) Which of the following is an error when accounting for transferred-in costs? 288) _____
- A) Including transferred-in costs from previous departments
 B) Converting units to a common measurement when transferred in
 C) Consider costs assigned at the beginning of the period when calculating costs to be transferred on a weighted average basis
 D) Costing units at average costs
- 289) Conceptually transferred-in costs from another department are similar to 289) _____
- A) materials provided by external suppliers.
 B) finished goods inventory.
 C) manufacturing overhead.
 D) direct labour and materials.

- 290) Hibury Company has two sequential processing departments: Assembly then Shaping. The Shaping Department reports the following information. Conversion costs are applied evenly throughout the process. 290) _____

Beginning WIP inventory	14,000 units
Transferred-in costs in beginning WIP inventory	\$147,000
Direct materials costs in beginning WIP inventory	\$36,750
Conversion costs in beginning WIP inventory	\$34,125
Units transferred in	90,000 units
Transferred-in costs	\$945,000
Units completed	63,000
Costs added: materials	\$232,560
Costs added: conversion	\$346,065
Ending WIP inventory	20,000 units
(50% complete for materials and 40% complete for conversion)	

What would have been the journal entry to record the transfer of product from the assembly department to the shaping department?

- A) WIP-assembly (Dr); WIP-shaping (Cr) 1,092,000
 B) WIP-assembly (Dr); WIP-shaping (Cr) 945,000
 C) WIP-shaping (Dr); WIP-assembly (Cr) 1,092,000
 D) WIP-shaping (Dr); WIP-assembly (Cr) 945,000
- 291) A transfer of \$24,000 from the assembly department to the packaging department would require the entry of a 291) _____
- A) debit to WIP inventory-assembly. B) debit to finished goods inventory.
 C) credit to raw materials inventory. D) credit to WIP inventory-assembly.
- 292) ABC produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. When the balls and associated costs are transferred out of the colouring process and into the finishing process, the journal entry would include a 292) _____
- A) debit to WIP inventory- finishing and a credit to WIP-colouring.
 B) debit to Finished Goods inventory and a credit to WIP-colouring.
 C) debit to WIP inventory- colouring and a credit to Finished Goods inventory.
 D) debit to WIP inventory- colouring and a credit to WIP-finishing.
- 293) ABC produces ping-pong balls using a three-step sequential process that includes molding, colouring and finishing. When the balls and associated costs are transferred from the molding process to the colouring process, which account is debited? 293) _____
- A) WIP inventory-finishing B) WIP inventory-molding
 C) Raw materials inventory D) WIP inventory-colouring

- 294) _____

295) At Madson Distillery the company uses the weighted-average method of process costing. Direct materials are added at the beginning of the process and conversion costs are added throughout the process. Data for the finishing department follows:

WIP, April 1	18,000 units
Transferred-in costs in WIP, April 1	\$96,200
Direct materials (100%) in WIP, April 1	\$23,500
Conversion costs (65%) in WIP, April 1	\$19,700
Units transferred in	35,000 units
Transferred-in costs during April	\$501,000
Units completed	32,000 units
April direct materials cost	\$152,500
April conversion costs	\$215,300
WIP, April 30	21,000 units
(100% for materials and 60% for conversion costs)	

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 296) Beta Tools Ltd. uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during November.

Units:

Work in process, November 1 (80% of the way through the process)	16,000 units
Transferred in from the Casting Department during November	54,000 units
Completed during November	? units
Work in process, November 30 (70% of the way through the process)	18,000 units

Costs:

Work in process, November 1 (transferred-in costs, \$40,100; direct materials costs, \$40,500; and conversion costs, \$39,632)	\$120,232
Transferred in from the Casting Department during November .	\$194,400
Direct materials added during November	\$148,500
Conversion costs added during November	\$181,300

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 297) Beta Tools Ltd. uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during April. 297) _____

Units:

Work in process, April 1 (80% of the way through the process)	12,800 units
Transferred in from the Casting Department during April	43,200 units
Completed during April	? units
Work in process, April 30 (80% of the way through the process)	14,400 units

Costs:

Work in process, April 1 (transferred-in costs, \$32,080; direct materials costs, \$32,400; and conversion costs, \$32,912)	\$97,392
Transferred in from the Casting Department during April	155,520
Direct materials added during April	188,800
Conversion costs added during April	145,040

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 298) Gamma Lights Machining uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during September. 298) _____

Units:

Work in process, September 1 (80% of the way through the process)	9,600 units
Transferred in from the Casting Department during September	32,400 units
Completed during September	? units
Work in process, September 30 (70% of the way through the process)	10,800 units

Costs:

Work in process, September 1 (transferred-in costs, \$24,036; direct materials costs, \$24,300; and conversion costs, \$23,780)	\$72,140
Transferred in from the Casting Department during September.	159,924
Direct materials added during September	89,100
Conversion costs added during September	108,004

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

299) Gamma Lights Machining uses the weighted-average method of process costing. Material are added at the beginning of the machining process and conversion costs are added evenl throughout the process. The following activity occurred in its Machining Department duri June.

299) _____

Units:

Work in process, June 1 (80% of the way through the process)	19,200 un
Transferred in from the Casting Department during June	64,800 un
Completed during June	62,400 un
Work in process, June 30 (70% of the way through the process)	?? un

Costs:

Work in process, June 1 (transferred-in costs, \$48,072; direct materials costs, \$48,600; and conversion costs, \$47,560)	\$144,2
Transferred in from the Casting Department during June	319,8
Direct materials added during June	178,2
Conversion costs added during June	216,0

Required:

- A. Compute the equivalent units for transferred in, direct materials, and conversion.
- B. Determine total costs to account for
- C. Compute the cost per equivalent unit (round to the nearest cent).
- D. Determine the total costs of the units transferred out
- E. Determine the value of the units remaining in ending work in process inventory

300) Sono Sounds Ltd. uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during April.

300) _____

Units:

Work in process, April 1 (60% of the way through the process)	12,800 units
Transferred in from the Casting Department during April	43,200 units
Completed during April	? units
Work in process, April 30 (40% of the way through the process)	14,400 units

Costs:

Work in process, April 1 (transferred-in costs, \$32,080; direct materials costs, \$32,400; and conversion costs, \$32,560)	\$97,040
Transferred in from the Casting Department during April.	155,520
Direct materials added during April	188,800
Conversion costs added during April	145,040

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

301) Broadline Ltd. uses the weighted-average method of process costing. Materials are added various stages of the machining process and conversion costs are added evenly throughout process. The following activity occurred in its Machining Department during April.

301) _____

Units:

Work in process, April 1 (60% of the way through the process)	13,000 units
Transferred in from the Casting Department during April	43,000 units
Completed during April	? units
Work in process, April 30 (60% of the way through conversion, 50% of direct materials added)	14,000 units

Costs:

Work in process, April 1 (transferred-in costs, \$32,000; direct materials costs, \$16,400; and conversion costs, \$35,000)	\$83,400
Transferred in from the Casting Department during April.	155,500
Direct materials added during April	189,000
Conversion costs added during April	145,000

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 302) Bright Lights Ltd. uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during September.

302) _____

Units:

Work in process, September 1 (60% of the way through the process)	9,600 units
Transferred in from the Casting Department during September	32,400 units
Completed during September	? units
Work in process, September 30 (50% of the way through the process)	10,800 units

Costs:

Work in process, September 1 (transferred-in costs, \$24,060; direct materials costs, \$24,300; and conversion costs, \$23,730)	\$72,140
Transferred in from the Casting Department during September.	159,924
Direct materials added during September	89,100
Conversion costs added during September	107,900

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 303) Bluetones Ltd. uses the weighted-average method of process costing. Materials are added at the beginning of the machining process and conversion costs are added evenly throughout the process. The following activity occurred in its Machining Department during June. 303) _____

Units:

Work in process, June 1 (60% of the way through the process)	19,200 units
Transferred in from the Casting Department during June	64,800 units
Completed during June	? units
Work in process, June 30 (90% of the way through the process)	21,600 units

Costs:

Work in process, June 1 (transferred-in costs, \$48,072; direct materials costs, \$48,600; and conversion costs, \$47,560)	\$144,232
Transferred in from the Casting Department during June.	319,848
Direct materials added during June	178,200
Conversion costs added during June	214,328

Required:

- Compute the equivalent units for transferred in, direct materials, and conversion.
- Determine total costs to account for
- Compute the cost per equivalent unit (round to the nearest cent).
- Determine the total costs of the units transferred out
- Determine the value of the units remaining in ending work in process inventory

- 304) The Leather Factory has two departments that process all of its production, the Tanning Department and the Finishing Department. Production begins in the Tanning Department, the units are transferred to the Finishing Department. Conversion costs are added evenly throughout the process, no additional materials are added in the Finishing Department. 304) _____

Beginning work-in-process in the finishing department was 60 percent complete as to conversion; ending inventory was 30 percent complete. Additional information about the Finishing Department follows:

Beginning work-in-process inventory	8,000 units
Units transferred-in	32,000 units
Ending work-in-process inventory	4,000 units
Conversion costs	\$38,000
Transferred-in costs	\$100,000
Beginning work-in-process costs:	
Transferred-in	\$14,000
Conversion	\$20,000

Required:

Using the weighted-average method determine the assignment of costs to units transferred-out and ending inventory for the Finishing Department. Round costs per equivalent unit to the nearest cent.

305) The Laramie Factory produces expensive boots. It has two departments that process all the items. During January, the beginning work in process in the tanning department was 40% complete as to conversion and 100% complete as to direct materials. The beginning inventory included \$6,000 for materials and \$18,000 for conversion costs. Ending work-in-process inventory in the tanning department was 40% complete. Direct materials added at the beginning of the process.

305) _____

Beginning work in process in the finishing department was 60% complete as to conversion. Beginning inventories included \$7,000 for transferred-in costs and \$10,000 for conversion. Ending inventory was 30% complete.

Additional information about the two departments follows:

	Tanning	Finishing
Beginning work-in-process units	5,000	4,000
Units started this period	14,000	?
Units transferred this period	16,000	18,000
Ending work-in-process units	?	2,000
Material costs added	\$18,000	?
Conversion costs	32,000	\$19,000
Transferred-out cost	50,000	?

Required:

Prepare a production cost worksheet using weighted-average costing for the finishing department.

Answer Key

Testname: UNTITLED1

- 1) FALSE
- 2) TRUE
- 3) TRUE
- 4) FALSE
- 5) TRUE
- 6) TRUE
- 7) FALSE
- 8) TRUE
- 9) TRUE
- 10) FALSE
- 11) TRUE
- 12) TRUE
- 13) TRUE
- 14) FALSE
- 15) FALSE
- 16) C
- 17) A
- 18) D
- 19) B
- 20) D
- 21) C
- 22) C
- 23) C
- 24) B
- 25) B
- 26) C
- 27) B
- 28) A
- 29) A
- 30) B
- 31) B
- 32) B
- 33) A
- 34) B
- 35) A

Answer Key

Testname: UNTITLED1

36) Flow of Production	Flow of physical units
Units to account for:	
Beginning Inventory	25,000
Started in production	115,000
Units to Account For	<u>140,000</u>
Units Accounted for	
Completed and transferred out	112,000
Ending Work in process	<u>28,000</u>
Total Units Accounted for	<u>140,000</u>

37) Requirement A & B

Raw Materials Inventory		Work in Process Inventory – Mixing Dept.	
(12) BB \$ 12,000	(1) \$ 15,000	BB (8) \$ 6,000	(2) \$ 110,000
(15) \$ 85,000		(3) \$ 6,000	
\$ 97,000	\$ 15,000	(10) \$ 30,000	
End bal \$ 82,000		(11) \$ 75,000	
		\$ 117,000	\$ 110,000
		End Bal \$ 7,000	
Work in Process Inventory- Baking Dept.		Work in Process Inventory – Packaging Dept.	
(4) BB \$ 8,000	(7) \$ 150,000	(14) BB \$ 24,000	(13) \$ 192,000
(2) \$ 110,000		(1) \$ 15,000	
(5) \$ 35,000		(7) \$ 150,000	
(16) \$ 2,000		(9) \$ 4,000	
\$ 155,000	\$ 150,000	(17) \$ 20,000	
End Bal \$ 5,000		\$ 213,000	\$ 192,000
		End Bal \$ 21,000	
Finished Goods Inventory			
BB (6) \$ 2,000	(18) \$ 191,000		
(13) \$ 192,000	\$ 191,000		
\$ 194,000			
End Bal \$ 3,000			

Requirement C: Cost per cake = \$192,000/1,600,000 = \$0.12

Answer Key

Testname: UNTITLED1

38) Requirement A & B

Raw Materials Inventory		Work in Process Inventory – Mixing Dept.	
(12) BB \$ 36,000	(1) \$ 45,000	BB (8) \$ 18,000	(2) \$ 330,000
(15) \$ 255,000		(3) \$ 18,000	
\$ 291,000	\$ 45,000	(10) \$ 90,000	
End bal \$ 246,000		(11) \$ 225,000	
		\$ 351,000	\$ 330,000
		End Bal \$ 21,000	
Work in Process Inventory- Baking Dept.		Work in Process Inventory – Packaging Dept.	
(4) BB \$ 24,000	(7) \$ 450,000	(14) BB \$ 72,000	(13) \$ 576,000
(2) \$ 330,000		(1) \$ 45,000	
(5) \$ 105,000		(7) \$ 450,000	
(16) \$ 6,000		(9) \$ 12,000	
\$ 465,000	\$ 450,000	(17) \$ 60,000	
End Bal \$ 15,000		\$ 639,000	\$ 576,000
		End Bal \$ 63,000	
Finished Goods Inventory			
BB (6) \$ 6,000	(18) \$ 573,000		
(13) \$ 576,000	\$ 573,000		
\$ 582,000			
End Bal \$ 9,000			

Requirement C: Cost per cake = \$576,000/1,440,000 = \$0.40

Answer Key

Testname: UNTITLED1

39) Requirement A & B

Raw Materials Inventory		Work in Process Inventory – Machining Dept.	
(12) BB \$ 18,000	(1) \$ 28,000	BB (8) \$ 9,000	(2) \$ 165,000
(15) \$ 130,000		(3) \$ 9,000	
\$ 148,000	\$ 28,000	(10) \$ 45,000	
End bal \$ 120,000		(11) \$ 125,000	
		\$ 188,000	\$ 165,000
		End Bal \$ 23,000	

Work in Process Inventory- Assembly Dept.		Work in Process Inventory – Packaging Dept.	
(4) BB \$ 12,000	(7) \$ 225,000	(14) BB \$ 36,000	(13) \$ 288,000
(2) \$ 165,000		(1) \$ 28,000	
(5) \$ 58,000		(7) \$ 225,000	
(16) \$ 3,000		(9) \$ 6,000	
\$ 238,000	\$ 225,000	(17) \$ 30,000	
End Bal \$ 13,000		\$ 325,000	\$ 288,000
		End Bal \$ 37,000	

Finished Goods Inventory	
BB (6) \$ 3,000	(18) \$ 290,000
(13) \$ 288,000	\$ 290,000
\$ 291,000	
End Bal \$ 1,000	

Requirement C: Cost per unit = \$288,000/640,000 = \$0.45

Answer Key

Testname: UNTITLED1

40) Requirement A & B

Raw Materials Inventory		Work in Process Inventory – Machining Dept.	
(12) BB \$ 30,000	(1) \$ 42,000	BB (8) \$ 16,000	(2) \$ 250,000
(15) \$ 190,000		(3) \$ 15,000	
\$ 220,000	\$ 42,000	(10) \$ 70,000	
End bal \$ 78,000		(11) \$ 190,000	
		\$ 188,000	\$ 250,000
		End Bal \$ 62,000	

Work in Process Inventory- Assembly Dept.		Work in Process Inventory – Packaging Dept.	
(4) BB \$ 18,000	(7) \$ 340,000	(14) BB \$ 55,000	(13) \$ 430,000
(2) \$ 250,000		(1) \$ 42,000	
(5) \$ 87,000		(7) \$ 340,000	
(16) \$ 4,000		(9) \$ 9,000	
\$ 359,000	\$ 340,000	(17) \$ 45,000	
End Bal \$ 19,000		\$ 491,000	\$ 430,000
		End Bal \$ 61,000	

Finished Goods Inventory	
BB (6) \$ 8,000	(18) \$ 435,000
(13) \$ 430,000	\$ 435,000
\$ 435,000	
End Bal \$ 3,000	

Requirement C: Cost per cake = $\$430,000 / 1,075,000 = \0.40

- 41) In job costing the job or product is a distinctly identifiable product or service. Each job requires (or can require) vastly different amounts of input. Job costing is usually associated with products that are unique or heterogeneous. Thus, each job requires different amounts of input, and they can require vastly different amount of costs to finish. Job-costed products tend to be high cost per unit. Thus the costs of each (unique) job are important for planning, pricing and profitability.

In process costing, the jobs or products are similar (or homogeneous). Each job usually requires the same inputs, and r in approximately the same costs per unit. The cost of a product or service is obtained by assigning total costs to many identical or similar units. We assume each unit receives the same amount of direct material costs, direct manufacturing costs, and indirect manufacturing costs. Unit costs are then computed by dividing total costs by the number of units.

The principal difference between process costing and job costing is the extent of averaging used to compute unit costs. As noted above in job costing, individual jobs use different quantities of production resources; whereas in process costing, we assume that each job uses approximately the same amount of resources.

- 42) TRUE
 43) FALSE
 44) TRUE
 45) FALSE
 46) TRUE
 47) TRUE
 48) FALSE
 49) FALSE

Answer Key

Testname: UNTITLED1

- 50) TRUE
- 51) TRUE
- 52) FALSE
- 53) FALSE
- 54) FALSE
- 55) TRUE
- 56) FALSE
- 57) FALSE
- 58) FALSE
- 59) FALSE
- 60) TRUE
- 61) TRUE
- 62) TRUE
- 63) TRUE
- 64) TRUE
- 65) TRUE
- 66) A
- 67) B
- 68) C
- 69) D
- 70) A
- 71) C
- 72) A
- 73) B
- 74) C
- 75) C
- 76) C
- 77) A
- 78) D
- 79) C
- 80) C
- 81) D
- 82) B
- 83) C
- 84) B
- 85) C
- 86) A
- 87) D
- 88) B
- 89) D
- 90) A
- 91) A

Answer Key

Testname: UNTITLED1

92) B

93) D

94)

Part A:	
Work in progress inventory, December 31	2,500
Materials completeness	85%
Equivalent units in ending inventory	2,125
Units completed and transferred out	17,500
Total materials equivalent units	19,625

Part B:	
Work in progress inventory, December 31	2,500
Conversion cost completeness	35%
Equivalent units in ending inventory	875
Units completed and transferred out	17,500
Total conversion cost equivalent units	18,375

95)

Part A:	
Work in progress inventory, December 31	3,000
Materials completeness	65%
Equivalent units in ending inventory	1,950
Units completed and transferred out	37,500
Total materials equivalent units	39,450

Part B:	
Work in progress inventory, December 31	3,000
Conversion cost completeness	45%
Equivalent units in ending inventory	1,350
Units completed and transferred out	37,500
Total conversion cost equivalent units	38,850

96)

part a.	
Work In Process Inventory, December 31	5,000
Materials completed	90%
Equivalent units in ending inventory	4,500
Units completed and transferred out	18,000
Total materials equivalent units	22,500

part b.	
Work In Process Inventory, December 31	5,000
Conversion cost completed	25%
Equivalent units in ending inventory	1,250
Units completed and transferred out	18,000
Total conversion cost equivalent units	19,250

Answer Key

Testname: UNTITLED1

97)

part a.	
Work In Process Inventory, December 31	3,000
Materials completed	85%
Equivalent units in ending inventory	2,550
Units completed and transferred out	20,000
Total materials equivalent units	22,550

part b.	
Work In Process Inventory, December 31	3,000
Conversion cost completed	25%
Equivalent units in ending inventory	750
Units completed and transferred out	20,000
Total conversion cost equivalent units	20,750

98)

Part A:	
Work in progress inventory, July 31	50,000
Materials completeness	100%
Equivalent units in ending inventory	50,000
Units completed and transferred out	900,000
Total materials equivalent units	950,000

Part B:	
Work in progress inventory, July 31	50,000
Conversion cost completeness	60%
Equivalent units in ending inventory	30,000
Units completed and transferred out	900,000
Total conversion cost equivalent units	930,000

99)

Part A:	
Work in progress inventory, August 31	20,000
Materials completeness	100%
Equivalent units in ending inventory	20,000
Units completed and transferred out	450,000
Total materials equivalent units	470,000

Part B:	
Work in progress inventory, August 31	20,000
Conversion cost completeness	75%
Equivalent units in ending inventory	15,000
Units completed and transferred out	450,000
Total conversion cost equivalent units	465,000

Answer Key

Testname: UNTITLED1

100)

Part A:	
Work in progress inventory, August 31	25,000
Materials completeness	60%
Equivalent units in ending inventory	15,000
Units completed and transferred out	400,000
Total materials equivalent units	415,000

Part B:	
Work in progress inventory, August 31	25,000
Conversion cost completeness	75%
Equivalent units in ending inventory	18,750
Units completed and transferred out	400,000
Total conversion cost equivalent units	418,750

101)

Part A:	
Work in progress inventory, August 31	45,000
Materials completeness	50%
Equivalent units in ending inventory	22,500
Units completed and transferred out	425,000
Total materials equivalent units	447,500

Part B:	
Work in progress inventory, August 31	45,000
Conversion cost completeness	55%
Equivalent units in ending inventory	24,750
Units completed and transferred out	425,000
Total conversion cost equivalent units	449,750

102)

Wanda's Sweet Buns Baking Department Month Ended October 31			
	Step 1	Step 2 Equivalent Units	
	Flow of Physical Units	Direct Materials	Conversion Costs
Flow of Production			
Units to account for:			
Beginning work in process October 1	103,000		
Started in production during October	507,500		
Total physical units to account for	610,500		
Units accounted for:			
Completed and transferred out during October	532,500	532,500	532,500
Ending work in process, October 31	78,000	42,900	66,300
Total physical units accounted for	610,500		
Total equivalent units		575,400	598,800

Answer Key

Testname: UNTITLED1

103)

Wanda's Sweet Buns Baking Department Month Ended November 30			
	Step 1	Step 2 Equivalent Units	
	Flow of Physical Units	Direct Materials	Conversion Costs
Flow of Production			
Units to account for:			
Beginning work in process October 1	86,000		
Started in production during October	608,000		
Total physical units to account for	694,000		
Units accounted for:			
Completed and transferred out during October	642,000	642,000	642,000
Ending work in process, October 31	52,000	39,000	46,800
Total physical units accounted for	610,500		
Total equivalent units		681,000	688,800

104)

Henry's Wagons Assembly Department Month Ended May 31			
	Step 1	Step 2 Equivalent Units	
	Flow of Physical Units	Direct Materials	Conversion Costs
Flow of Production			
Units to account for:			
Beginning work in process October 1	42,000		
Started in production during October	596,000		
Total physical units to account for	638,000		
Units accounted for:			
Completed and transferred out during October	586,000	586,000	586,000
Ending work in process, October 31	52,000	46,800	18,200
Total physical units accounted for	610,500		
Total equivalent units		632,800	604,200

105)

Henry's Wagons Assembly Department Month Ended July 31			
	Step 1	Step 2 Equivalent Units	
	Flow of Physical Units	Direct Materials	Conversion Costs
Flow of Production			
Units to account for:			
Beginning work in process October 1	12,000		
Started in production during October	382,000		
Total physical units to account for	394,000		
Units accounted for:			
Completed and transferred out during October	376,000	376,000	376,000
Ending work in process, October 31	18,000	10,800	4,500
Total physical units accounted for	394,000		
Total equivalent units		386,800	380,500

Answer Key

Testname: UNTITLED1

106)

Blomidon Wines Crushing Department			
	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	25,000		
Started in production	<u>78,000</u>		
Units to Account For	<u>103,000</u>		
Units Accounted for			
Completed and transferred out	83,000	83,000	83,000
Ending Work in process	<u>20,000</u>	<u>20,000</u>	<u>15,000</u>
Total Units Accounted for	<u>103,000</u>		
Total Equivalent units		<u>103,000</u>	<u>98,000</u>

107)

Blomidon Wines Crushing Department			
	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	23,000		
Started in production	<u>65,000</u>		
Units to Account For	<u>88,000</u>		
Units Accounted for			
Completed and transferred out	47,000	47,000	47,000
Ending Work in process	<u>41,000</u>	<u>41,000</u>	<u>32,800</u>
Total Units Accounted for	<u>88,000</u>		
Total Equivalent units		<u>88,000</u>	<u>79,800</u>

108)

Blomidon Wines Crushing Department			
	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	25,000		
Started in production	<u>68,000</u>		
Units to Account For	<u>93,000</u>		
Units Accounted for			
Completed and transferred out	66,000	66,000	66,000
Ending Work in process	<u>27,000</u>	<u>27,000</u>	<u>14,850</u>
Total Units Accounted for	<u>93,000</u>		
Total Equivalent units		<u>93,000</u>	<u>80,850</u>

109) FALSE

110) FALSE

Answer Key

Testname: UNTITLED1

- 111) TRUE
- 112) TRUE
- 113) FALSE
- 114) TRUE
- 115) FALSE
- 116) FALSE
- 117) TRUE
- 118) TRUE
- 119) TRUE
- 120) TRUE
- 121) FALSE
- 122) FALSE
- 123) FALSE
- 124) TRUE
- 125) TRUE
- 126) TRUE
- 127) FALSE
- 128) TRUE
- 129) A
- 130) D
- 131) B
- 132) A
- 133) A
- 134) C
- 135) B
- 136) A
- 137) C
- 138) D
- 139) B
- 140) B
- 141) C
- 142) C
- 143) D
- 144) A
- 145) A
- 146) A
- 147) D
- 148) C
- 149) B
- 150) C
- 151) A
- 152) B

Answer Key

Testname: UNTITLED1

- 153) D
- 154) C
- 155) C
- 156) B
- 157) A
- 158) B
- 159) D
- 160) D
- 161) A
- 162) A
- 163) B
- 164) C
- 165) D
- 166) C
- 167) A
- 168) C
- 169) A
- 170) B
- 171) D
- 172) B
- 173) A
- 174) B
- 175) A
- 176) B
- 177) B
- 178) B
- 179) C
- 180) C
- 181) C
- 182) D
- 183) B
- 184) A
- 185) D
- 186) C
- 187) B
- 188) C
- 189) A
- 190) B
- 191) B
- 192) B
- 193) C
- 194) C

Answer Key

Testname: UNTITLED1

195) B

196) C

197) B

198) C

199) E

200)

	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	30,000		
<u>Units to Account For</u>	<u>30,000</u>		
Units Accounted for			
Completed and transferred out	24,000	24,000	24,000
Ending Work in process	6,000	3,000	3,000
<u>Total Units Accounted for</u>	<u>30,000</u>		
<u>Total Equivalent units</u>		<u>27,000</u>	<u>27,000</u>

201)

	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	30,000		
<u>Units to Account For</u>	<u>30,000</u>		
Units Accounted for			
Completed and transferred out	24,000	24,000	24,000
Ending Work in process	6,000	3,000	3,000
<u>Total Units Accounted for</u>	<u>30,000</u>		
<u>Total Equivalent units</u>		<u>27,000</u>	<u>27,000</u>
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 151,200	\$ 60,750	\$ 90,450
<u>Total Costs to Account For</u>	<u>\$ 151,200</u>	<u>\$ 60,750</u>	<u>\$ 90,450</u>
Divide by Equivalent Units		27,000	27,000
Cost per Equivalent Unit		<u>\$ 2.25</u>	<u>\$ 3.35</u>

Answer Key

Testname: UNTITLED1

202)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	30,000		
Units to Account For	30,000		
Units Accounted for			
Completed and transferred out	24,000	24,000	24,000
Ending Work in process	6,000	3,000	3,000
Total Units Accounted for	30,000		
Total Equivalent units		27,000	27,000
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 151,200	\$ 60,750	\$ 90,450
Total Costs to Account For	\$ 151,200	\$ 60,750	\$ 90,450
Divide by Equivalent Units		27,000	27,000
Cost per Equivalent Unit		\$ 2.25	\$ 3.35
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 134,400.00	\$ 54,000.00	\$ 80,400.00

Answer Key

Testname: UNTITLED1

203)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	30,000		
Units to Account For	30,000		
Units Accounted for			
Completed and transferred out	24,000	24,000	24,000
Ending Work in process	6,000	3,000	3,000
Total Units Accounted for	30,000		
Total Equivalent units		27,000	27,000
<u>COSTS TO ACCOUNT FOR:</u>	<u>TOTAL</u>	<u>Direct Materials</u>	<u>Conversion Costs</u>
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 151,200	\$ 60,750	\$ 90,450
Total Costs to Account For	\$ 151,200	\$ 60,750	\$ 90,450
Divide by Equivalent Units		27,000	27,000
Cost per Equivalent Unit		\$ 2.25	\$ 3.35
<u>ASSIGNMENT OF COSTS:</u>			
Completed and Transferred Out	\$ 134,400.00	\$ 54,000.00	\$ 80,400.00
Ending Work In Process			
Direct Material	\$ 6,750.00	\$ 6,750.00	
Conversion	\$ 10,050.00		\$ 10,050.00
Total Costs Accounted For	\$ 151,200.00	\$ 60,750.00	\$ 90,450.00

204)	
Part A:	
Ending work in process units	28,500
Ending work in process materials completion	100%
Equivalent units in ending work in process	28,500
Units completed and transferred out	124,000
Equivalent units of production for materials	152,500
Part B:	
Ending work in process units	28,500
Ending work in process conversion cost completion	60%
Equivalent units in ending work in process	17,100
Units completed and transferred out	124,000
Equivalent units of production for conversion costs	141,100
Part C: Use calculations from Part A.	

Answer Key

Testname: UNTITLED1

Materials cost in beginning work in process inventory	\$51,900
Materials cost added to production during the period:	\$430,000
Total material cost to account for	\$481,900
Equivalent units of production for materials	152,500
Cost per material cost equivalent unit (divide)	\$3.16

Part D: Use calculations from Part B.	
Conversion cost in beginning work in process inventory	\$20,174
Conversion cost added to production during the period:	\$310,000
Total conversion cost to account for	\$330,174
Equivalent units of production for conversion costs	141,100
Cost per conversion cost equivalent unit (divide)	\$2.34

Part E: Use calculations from Parts B, D, A, and C.	
Cost per conversion cost equivalent unit	\$2.34
Cost per material cost equivalent unit	\$3.16
Total cost per unit	\$5.50
Units completed and transferred out	124,000
Total cost of units completed and transferred out	\$682,000

Part F: Use calculations from Parts B, D, A, and C.	
Cost per conversion cost equivalent unit	\$2.34
Equivalent conversion cost units in ending work in process	17,100
Conversion costs in ending work in process	\$40,014
Cost per material cost equivalent unit	\$3.16
Equivalent materials units in ending work in process	28,500
Materials costs in ending work in process	90,060
Conversion costs in ending work in process	\$40,014
Materials costs in ending work in process	90,060
Total costs in ending work in process	\$130,074

Answer Key

Testname: UNTITLED1

205)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	46,000		
Units to Account For	46,000		
Units Accounted for			
Completed and transferred out	30,000	30,000	30,000
Ending Work in process	16,000	6,000	12,800
Total Units Accounted for	46,000		
Total Equivalent units		36,000	42,800
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 79,800	\$ 19,800	\$ 60,000
Total Costs to Account For	\$ 79,800	\$ 19,800	\$ 60,000
Divide by Equivalent Units		36,000	42,800
Cost per Equivalent Unit		\$ 0.55	\$ 1.40
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 58,556.07	\$ 16,500.00	\$ 42,056.07
Ending Work In Process			
Direct Material	\$ 3,300.00	\$ 3,300.00	
Conversion	\$ 17,943.93		\$ 17,943.93
Total Costs Accounted For	\$ 79,800.00	\$ 19,800.00	\$ 60,000.00

Answer Key

Testname: UNTITLED1

206)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	58,000		
Units to Account For	58,000		
Units Accounted for			
Completed and transferred out	40,000	40,000	40,000
Ending Work in process	18,000	7,200	14,400
Total Units Accounted for	58,000		
Total Equivalent units		47,200	54,400
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 68,595	\$ 19,635	\$ 48,960
Total Costs to Account For	\$ 68,595	\$ 19,635	\$ 48,960
Divide by Equivalent Units		47,200	54,400
Cost per Equivalent Unit		\$ 0.42	\$ 0.90
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 52,639.83	\$ 16,639.83	\$ 36,000.00
Ending Work In Process			
Direct Material	\$ 2,995.17	\$ 2,995.17	
Conversion	\$ 12,960.00		\$ 12,960.00
Total Costs Accounted For	\$ 68,595.00	\$ 19,635.00	\$ 48,960.00

Answer Key

Testname: UNTITLED1

207)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	116,000		
Units to Account For	116,000		
Units Accounted for			
Completed and transferred out	103,000	103,000	103,000
Ending Work in process	13,000	13,000	10,400
Total Units Accounted for	116,000		
Total Equivalent units		116,000	113,400
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 136,719	\$ 39,195	\$ 97,524
Total Costs to Account For	\$ 136,719	\$ 39,195	\$ 97,524
Divide by Equivalent Units		116,000	113,400
Cost per Equivalent Unit		\$ 0.34	\$ 0.86
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 123,382.46	\$ 34,802.46	\$ 88,580.00
Ending Work In Process			
Direct Material	\$ 4,392.54	\$ 4,392.54	
Conversion	\$ 8,944.00	0	\$ 8,944.00
Total Costs Accounted For	\$ 136,719.00	\$ 39,195.00	\$ 97,524.00

Answer Key

Testname: UNTITLED1

208)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	52,000		
Units to Account For	52,000		
Units Accounted for			
Completed and transferred out	43,000	43,000	43,000
Ending Work in process	9,000	4,500	6,750
Total Units Accounted for	52,000		
Total Equivalent units		47,500	49,750
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 81,345	\$ 27,825	\$ 53,520
Total Costs to Account For	\$ 81,345	\$ 27,825	\$ 53,520
Divide by Equivalent Units		47,500	49,750
Cost per Equivalent Unit		\$ 0.59	\$ 1.08
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 71,447.44	\$ 25,188.95	\$ 46,258.49
Ending Work In Process			
Direct Material	\$ 2,636.05	\$ 2,636.05	
Conversion	\$ 7,261.51		\$ 7,261.51
Total Costs Accounted For	\$ 81,345.00	\$ 27,825.00	\$ 53,520.00

Answer Key

Testname: UNTITLED1

209)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	10,000		
Started in production	32,000		
<u>Units to Account For</u>	<u>42,000</u>		
Units Accounted for			
Completed and transferred out	36,000	36,000	36,000
Ending Work in process	6,000	2,400	3,900
<u>Total Units Accounted for</u>	<u>42,000</u>		
<u>Total Equivalent units</u>		<u>38,400</u>	<u>39,900</u>
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 48,762	\$ 21,120	\$ 27,642
Costs Added during the period	\$ 192,000	\$ 76,800	\$ 115,200
<u>Total Costs to Account For</u>	<u>\$ 240,762</u>	<u>\$ 97,920</u>	<u>\$ 142,842</u>
<u>Divide by Equivalent Units</u>		<u>38,400</u>	<u>39,900</u>
<u>Cost per Equivalent Unit</u>		<u>\$ 2.55</u>	<u>\$ 3.58</u>
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 220,680.00	\$ 91,800.00	\$ 128,880.00
Ending Work In Process			
Direct Material	\$ 6,120.00	\$ 6,120.00	
Conversion	\$ 13,962.00	0	\$ 13,962.00
<u>Total Costs Accounted For</u>	<u>\$ 240,762.00</u>	<u>\$ 97,920.00</u>	<u>\$ 142,842.00</u>

Answer Key

Testname: UNTITLED1

210)		Step 1	Step 2	
	Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
	Units to account for:			
	Beginning Inventory	15,000		
	Started in production	48,000		
	<u>Units to Account For</u>	<u>63,000</u>		
	Units Accounted for			
	Completed and transferred out	54,000	54,000	54,000
	Ending Work in process	9,000	4,050	7,200
	<u>Total Units Accounted for</u>	<u>63,000</u>		
	<u>Total Equivalent units</u>		<u>58,050</u>	<u>61,200</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 71,762	\$ 31,286	\$ 40,476
	Costs Added during the period	\$ 288,000	\$ 115,500	\$ 172,500
	<u>Total Costs to Account For</u>	<u>\$ 359,762</u>	<u>\$ 146,786</u>	<u>\$ 212,976</u>
	Divide by Equivalent Units		58,050	61,200
	<u>Cost per Equivalent Unit</u>		<u>\$ 2.53</u>	<u>\$ 3.48</u>
	ASSIGNMENT OF COSTS:			
	Completed and Transferred Out	\$ 324,465.12	\$ 136,545.12	\$ 187,920.00
	Ending Work In Process			
	Direct Material	\$ 10,240.88	\$ 10,240.88	
	Conversion	\$ 25,056.00		\$ 25,056.00
	<u>Total Costs Accounted For</u>	<u>\$ 359,762.00</u>	<u>\$ 146,786.00</u>	<u>\$ 212,976.00</u>

Answer Key

Testname: UNTITLED1

211)		Step 1	Step 2	
	Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
	Units to account for:			
	Beginning Inventory	12,000		
	Started in production	38,000		
	<u>Units to Account For</u>	<u>50,000</u>		
	Units Accounted for			
	Completed and transferred out	43,000	43,000	43,000
	<u>Ending Work in process</u>	<u>7,000</u>	<u>4,200</u>	<u>5,950</u>
	<u>Total Units Accounted for</u>	<u>50,000</u>		
	<u>Total Equivalent units</u>		<u>47,200</u>	<u>48,950</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 57,402	\$ 25,056	\$ 32,346
	Costs Added during the period	\$ 230,000	\$ 92,000	\$ 138,000
	<u>Total Costs to Account For</u>	<u>\$ 287,402</u>	<u>\$ 117,056</u>	<u>\$ 170,346</u>
	Divide by Equivalent Units		47,200	48,950
	<u>Cost per Equivalent Unit</u>		<u>\$ 2.48</u>	<u>\$ 3.48</u>
	ASSIGNMENT OF COSTS:			
	Completed and Transferred Out	\$ 256,280.00	\$ 106,640.00	\$ 149,640.00
	Ending Work In Process			
	Direct Material	\$ 10,416.00	\$ 10,416.00	
	Conversion	\$ 20,706.00		\$ 20,706.00
	<u>Total Costs Accounted For</u>	<u>\$ 287,402.00</u>	<u>\$ 117,056.00</u>	<u>\$ 170,346.00</u>

Answer Key

Testname: UNTITLED1

212)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	18,000		
Started in production	90,000		
<u>Units to Account For</u>	<u>108,000</u>		
Units Accounted for			
Completed and transferred out	99,000	99,000	99,000
Ending Work in process	9,000	4,950	6,750
<u>Total Units Accounted for</u>	<u>108,000</u>		
<u>Total Equivalent units</u>		<u>103,950</u>	<u>105,750</u>
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 85,014	\$ 38,000	\$ 47,014
Costs Added during the period	\$ 350,715	\$ 138,715	\$ 212,000
<u>Total Costs to Account For</u>	<u>\$ 435,729</u>	<u>\$ 176,715</u>	<u>\$ 259,014</u>
Divide by Equivalent Units		103,950	105,750
<u>Cost per Equivalent Unit</u>		<u>\$ 1.70</u>	<u>\$ 2.45</u>
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 410,781.19	\$ 168,300.00	\$ 242,481.19
Ending Work In Process			
Direct Material	\$ 8,415.00	\$ 8,415.00	\$ -
Conversion	\$ 16,532.81	\$ -	\$ 16,532.81
<u>Total Costs Accounted For</u>	<u>\$ 435,729.00</u>	<u>\$ 176,715.00</u>	<u>\$ 259,014.00</u>

Answer Key

Testname: UNTITLED1

213)		Step 1	Step 2	
	Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
	Units to account for:			
	Beginning Inventory	28,400		
	Started in production	124,000		
	<u>Units to Account For</u>	<u>152,400</u>		
	Units Accounted for			
	Completed and transferred out	107,000	107,000	107,000
	Ending Work in process	45,400	45,400	22,700
	<u>Total Units Accounted for</u>	<u>152,400</u>		
	<u>Total Equivalent units</u>		<u>152,400</u>	<u>129,700</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 72,800	\$ 53,200	\$ 19,600
	Costs Added during the period	\$ 746,750	\$ 442,100	\$ 304,650
	<u>Total Costs to Account For</u>	<u>\$ 819,550</u>	<u>\$ 495,300</u>	<u>\$ 324,250</u>
	Divide by Equivalent Units		152,400	129,700
	<u>Cost per Equivalent Unit</u>		<u>\$ 3.25</u>	<u>\$ 2.50</u>
	ASSIGNMENT OF COSTS:			
	Completed and Transferred Out	\$ 615,250.00	\$ 347,750.00	\$ 267,500.00
	Ending Work In Process			
	Direct Material	\$ 147,550.00	\$ 147,550.00	\$ -
	Conversion	\$ 56,750.00	\$ -	\$ 56,750.00
	<u>Total Costs Accounted For</u>	<u>\$ 819,550.00</u>	<u>\$ 495,300.00</u>	<u>\$ 324,250.00</u>

214)	Step 1	Step 2	
Flow of Production	Flow of physical units	Direct Materials	Conversion Costs
Units to account for:			
Beginning Inventory	0		
Started in production	600,000		
<u>Units to Account For</u>	<u>600,000</u>		
Units Accounted for			
Completed and transferred out	500,000	500,000	500,000
Ending Work in process	100,000	100,000	30,000
<u>Total Units Accounted for</u>	<u>600,000</u>		
<u>Total Equivalent units</u>		<u>600,000</u>	<u>530,000</u>
COSTS TO ACCOUNT FOR:	TOTAL	Direct Materials	Conversion Costs
Beginning Work In Process	\$ -	\$ -	\$ -
Costs Added during the period	\$ 3,650,000	\$ 1,750,000	\$ 1,900,000
<u>Total Costs to Account For</u>	<u>\$ 3,650,000</u>	<u>\$ 1,750,000</u>	<u>\$ 1,900,000</u>
Divide by Equivalent Units		600,000	530,000
<u>Cost per Equivalent Unit</u>		<u>\$ 2.92</u>	<u>\$ 3.58</u>
ASSIGNMENT OF COSTS:			
Completed and Transferred Out	\$ 3,250,786.16	\$ 1,458,333.33	\$ 1,792,452.83
Ending Work In Process			
Direct Material	\$ 291,666.67	\$ 291,666.67	\$ -
Conversion	\$ 107,547.17	\$ -	\$ 107,547.17
<u>Total Costs Accounted For</u>	<u>\$ 3,650,000.00</u>	<u>\$ 1,750,000.00</u>	<u>\$ 1,900,000.00</u>

- 215) The weighted average method computes unit costs by dividing total costs entering the work-in-process account (whether from beginning work-in-process or from work started during the period) by total equivalent units completed to date, and assigns this average cost to units completed and to units in ending work-in-process inventory.

The first-in, first-out (FIFO) method computes unit costs based on costs incurred during the current period and equivalent units of work done in the current period. It assigns the costs of beginning work-in-process inventory to the first units completed, and it assigns costs of the equivalent units worked on during the current period first to complete beginning inventory, next to start and complete new units, and finally to units in ending work-in-process inventory.

- 216) TRUE
 217) FALSE
 218) FALSE
 219) TRUE
 220) TRUE
 221) FALSE

Answer Key

Testname: UNTITLED1

- 222) FALSE
- 223) TRUE
- 224) TRUE
- 225) TRUE
- 226) FALSE
- 227) FALSE
- 228) FALSE
- 229) TRUE
- 230) TRUE
- 231) FALSE
- 232) TRUE
- 233) FALSE
- 234) FALSE
- 235) TRUE
- 236) A
- 237) A
- 238) D
- 239) C
- 240) C
- 241) C
- 242) D
- 243) A
- 244) B
- 245) C
- 246) C
- 247) D
- 248) D

Answer Key

Testname: UNTITLED1

249)

	DEBIT	CREDIT
a. Raw Materials Inventory	18,000	
Accounts Payable		18,000
b. Assembly Department Work in Process	8,000	
Finishing Department Work in Process	4,000	
Raw Materials Inventory		12,000
c. Manufacturing Wages	21,600	
Cash		21,600
d. Manufacturing Overhead	21,800	
Property Taxes Payable Plant		3,800
Utilities Payable Plant		9,000
Insurance Payable Plant		2,200
Accumulated Depreciation Plant		6,800
e. Assembly Department Work in Process	15,200	
Manufacturing Wages		9,400
Manufacturing Overhead		5,800
f. Finishing Department Work in Process	21,200	
Manufacturing Wages		8,800
Manufacturing Overhead		12,400
g. Finishing Department Work in Process	20,500	
Assembly Department Work in Process		20,500
h. Finished Goods Inventory	31,200	
Finishing Department Work in Process		31,200

Answer Key

Testname: UNTITLED1

250)

	DEBIT	CREDIT
a. Raw materials inventory	27,000	
Accounts payable		\$27,000
b. Assembly Department work in process	12,000	
Finishing Department work in process	8,000	
Raw materials inventory		20,000
c. Manufacturing labour	32,500	
Cash		32,500
d. Manufacturing overhead	32,300	
Property taxes payableplant		5,500
Utilities payableplant		13,500
Insurance payableplant		3,300
Accumulated depreciationplant		10,000
e. Assembly Department work in process	23,500	
Manufacturing labour		14,000
Manufacturing overhead		9,500
f. Finishing Department work in process	30,500	
Manufacturing labour		12,000
Manufacturing overhead		18,500
g. Finishing Department work in process	31,500	
Assembly Department work in process		31,500
h. Finished goods inventory	46,700	
Finishing Department work in process		46,700

Answer Key

Testname: UNTITLED1

251)

	DEBIT	CREDIT
a. Raw materials inventory	36,000	
Accounts payable		36,000
b. Assembly Department work in process	16,000	
Finishing Department work in process	8,000	
Raw materials inventory		24,000
c. Manufacturing labour	44,000	
Cash		44,000
d. Manufacturing overhead	43,200	
Property taxes payableplant		7,200
Utilities payableplant		18,000
Insurance payableplant		4,500
Accumulated depreciationplant		13,500
e. Assembly Department work in process	42,000	
Manufacturing labour		19,000
Manufacturing overhead		23,000
f. Finishing Department work in process	41,500	
Manufacturing labour		15,500
Manufacturing overhead		26,000
g. Finishing Department work in process	42,000	
Assembly Department work in process		42,000
h. Finished goods inventory	60,000	
Finishing Department work in process		60,000

Answer Key

Testname: UNTITLED1

252)

	DEBIT	CREDIT
a. Raw materials inventory	72,000	
Accounts payable		72,000
b. Assembly Department work in process	21,000	
Finishing Department work in process	12,000	
Raw materials inventory		33,000
c. Manufacturing labour	68,500	
Cash		68,500
d. Manufacturing overhead	88,000	
Property taxes payableplant		16,000
Utilities payableplant		36,000
Insurance payableplant		8,500
Accumulated depreciationplant		27,500
e. Assembly Department work in process	64,500	
Manufacturing labour		40,000
Manufacturing overhead		24,500
f. Finishing Department work in process	82,000	
Manufacturing labour		34,000
Manufacturing overhead		48,000
g. Finishing Department work in process	82,000	
Assembly Department work in process		82,000
h. Finished goods inventory	125,000	
Finishing Department work in process		125,000

253) a. Work in Process	40,000	
Materials Inventory		40,000
b. Work in Process	74,000	
Various accounts		74,000
c. Finished Goods	115,200	
Work in Process		115,200

Answer Key

Testname: UNTITLED1

- 254) Dr Raw Materials Inventory \$84,000
 Cr Accounts Payable \$ 84,000
 To record purchase of Raw Materials
- Dr Work In Process Inventory \$60,750
 Cr Raw Materials Inventory \$60,750
 To record requisition of raw materials into production
- Dr Work In Process Inventory \$90,450
 Cr Various Account \$90,450
 To record conversion costs (labour and overhead) used in production
- Dr Finished Goods Inventory \$139,680
 Cr Work In Process Inventory \$139,680
 To record the transfer of finished goods from work in process to finished goods
- 255) TRUE
256) TRUE
257) TRUE
258) TRUE
259) TRUE
260) TRUE
261) TRUE
262) FALSE
263) TRUE
264) FALSE
265) TRUE
266) FALSE
267) FALSE
268) TRUE
269) TRUE
270) D
271) A
272) D
273) A
274) C
275) A
276) C
277) B
278) D
279) C
280) A
281) A
282) B
283) C

Answer Key

Testname: UNTITLED1

284) C

285) C

286) D

287) B

288) C

289) A

290) D

291) D

292) A

293) D

294) B

295)

	Step 1	Step 2		
Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
Units to account for:				
Beginning Inventory	18,000			
Transferred In	35,000			
<u>Units to Account For</u>	<u>53,000</u>			
Units Accounted for				
Completed and transferred out	32,000	32,000	32,000	32,000
Ending Work in process	21,000	21,000	21,000	12,600
<u>Total Units Accounted for</u>	<u>53,000</u>			
<u>Total Equivalent units</u>		<u>53,000</u>	<u>53,000</u>	<u>44,600</u>
COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 139,400	\$ 96,200	\$ 23,500	\$ 19,700
Costs Added during the period	\$ 868,800	\$ 501,000	\$ 152,500	\$ 215,300
<u>Total Costs to Account For</u>	<u>\$ 1,008,200</u>	<u>\$ 597,200</u>	<u>\$ 176,000</u>	<u>\$ 235,000</u>
Divide by Equivalent Units		53,000	53,000	44,600
<u>Cost per Equivalent Unit</u>		<u>\$ 11.27</u>	<u>\$ 3.32</u>	<u>\$ 5.27</u>
ASSIGNMENT OF COSTS:				
Completed and Transferred Out	\$ 635,447.60	\$ 360,573.58	\$ 106,264.15	\$ 168,609.87
Ending Work In Process				
Transferred In	\$ 236,626.42	\$ 236,626.42	\$ -	\$ -
Direct Material	\$ 69,735.85	\$ -	\$ 69,735.85	\$ -
Conversion	\$ 66,390.13	\$ -	\$ -	\$ 66,390.13
<u>Total Ending WIP</u>	<u>\$ 372,752.40</u>	<u>\$ 236,626.42</u>	<u>\$ 69,735.85</u>	<u>\$ 66,390.13</u>
<u>Total Costs Accounted For</u>	<u>\$ 1,008,200.00</u>	<u>\$ 597,200.00</u>	<u>\$ 176,000.00</u>	<u>\$ 235,000.00</u>

Answer Key

Testname: UNTITLED1

296)		Step 1	Step 2		
	Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
	Units to account for:				
	Beginning Inventory	16,000			
	Transferred In	54,000			
	<u>Units to Account For</u>	<u>70,000</u>			
	Units Accounted for				
	Completed and transferred out	52,000	52,000	52,000	52,000
	Ending Work in process	18,000	18,000	18,000	12,600
	<u>Total Units Accounted for</u>	<u>70,000</u>			
	<u>Total Equivalent units</u>		<u>70,000</u>	<u>70,000</u>	<u>64,600</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 120,232	\$ 40,100	\$ 40,500	\$ 39,632
	Costs Added during the period	\$ 523,800	\$ 194,000	\$ 148,500	\$ 181,300
	<u>Total Costs to Account For</u>	<u>\$ 644,032</u>	<u>\$ 234,100</u>	<u>\$ 189,000</u>	<u>\$ 220,932</u>
	Divide by Equivalent Units		70,000	70,000	64,600
	<u>Cost per Equivalent Unit</u>		<u>\$ 3.34</u>	<u>\$ 2.70</u>	<u>\$ 3.42</u>
	<u>ASSIGNMENT OF COSTS:</u>				
	Completed and Transferred Out	\$ 492,142.86	\$ 173,902.86	\$ 140,400.00	\$ 177,840.00
	Ending Work In Process				
	Transferred In	\$ 60,197.14	\$ 60,197.14	\$ -	\$ -
	Direct Material	\$ 48,600.00	\$ -	\$ 48,600.00	\$ -
	Conversion	\$ 43,092.00	\$ -	\$ -	\$ 43,092.00
	<u>Total Ending WIP</u>	<u>\$ 151,889.14</u>	<u>\$ 60,197.14</u>	<u>\$ 48,600.00</u>	<u>\$ 43,092.00</u>
	<u>Total Costs Accounted For</u>	<u>\$ 644,032.00</u>	<u>\$ 234,100.00</u>	<u>\$ 189,000.00</u>	<u>\$ 220,932.00</u>

Answer Key

Testname: UNTITLED1

297)		Step 1	Step 2		
	Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
	Units to account for:				
	Beginning Inventory	12,800			
	Transferred In	43,200			
	<u>Units to Account For</u>	<u>56,000</u>			
	Units Accounted for				
	Completed and transferred out	41,600	41,600	41,600	41,600
	Ending Work in process	14,400	14,400	14,400	11,520
	<u>Total Units Accounted for</u>	<u>56,000</u>			
	<u>Total Equivalent units</u>		<u>56,000</u>	<u>56,000</u>	<u>53,120</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 97,392	\$ 32,080	\$ 32,400	\$ 32,912
	Costs Added during the period	\$ 489,360	\$ 155,520	\$ 188,800	\$ 145,040
	<u>Total Costs to Account For</u>	<u>\$ 586,752</u>	<u>\$ 187,600</u>	<u>\$ 221,200</u>	<u>\$ 177,952</u>
	<u>Divide by Equivalent Units</u>		<u>56,000</u>	<u>56,000</u>	<u>53,120</u>
	<u>Cost per Equivalent Unit</u>		<u>\$ 3.35</u>	<u>\$ 3.95</u>	<u>\$ 3.35</u>
	ASSIGNMENT OF COSTS:				
	Completed and Transferred Out	\$ 443,040.00	\$ 139,360.00	\$ 164,320.00	\$ 139,360.00
	Ending Work In Process				
	Transferred In	\$ 48,240.00	\$ 48,240.00	\$ -	\$ -
	Direct Material	\$ 56,880.00	\$ -	\$ 56,880.00	\$ -
	Conversion	\$ 38,592.00	\$ -	\$ -	\$ 38,592.00
	<u>Total Ending WIP</u>	<u>\$ 143,712.00</u>	<u>\$ 48,240.00</u>	<u>\$ 56,880.00</u>	<u>\$ 38,592.00</u>
	<u>Total Costs Accounted For</u>	<u>\$ 586,752.00</u>	<u>\$ 187,600.00</u>	<u>\$ 221,200.00</u>	<u>\$ 177,952.00</u>

Answer Key

Testname: UNTITLED1

298)		Step 1	Step 2		
	Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
	Units to account for:				
	Beginning Inventory	9,600			
	Transferred In	32,400			
	<u>Units to Account For</u>	<u>42,000</u>			
	Units Accounted for				
	Completed and transferred out	31,200	31,200	31,200	31,200
	Ending Work in process	10,800	10,800	10,800	7,560
	<u>Total Units Accounted for</u>	<u>42,000</u>			
	<u>Total Equivalent units</u>		<u>42,000</u>	<u>42,000</u>	<u>38,760</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 72,116	\$ 24,036	\$ 24,300	\$ 23,780
	Costs Added during the period	\$ 357,028	\$ 159,924	\$ 89,100	\$ 108,004
	<u>Total Costs to Account For</u>	<u>\$ 429,144</u>	<u>\$ 183,960</u>	<u>\$ 113,400</u>	<u>\$ 131,784</u>
	<u>Divide by Equivalent Units</u>		<u>42,000</u>	<u>42,000</u>	<u>38,760</u>
	<u>Cost per Equivalent Unit</u>		<u>\$ 4.38</u>	<u>\$ 2.70</u>	<u>\$ 3.40</u>
	<u>ASSIGNMENT OF COSTS:</u>				
	Completed and Transferred Out	\$ 326,976.00	\$ 136,656.00	\$ 84,240.00	\$ 106,080.00
	Ending Work In Process				
	Transferred In	\$ 47,304.00	\$ 47,304.00	\$ -	\$ -
	Direct Material	\$ 29,160.00	\$ -	\$ 29,160.00	\$ -
	Conversion	\$ 25,704.00	\$ -	\$ -	\$ 25,704.00
	<u>Total Ending WIP</u>	<u>\$ 102,168.00</u>	<u>\$ 47,304.00</u>	<u>\$ 29,160.00</u>	<u>\$ 25,704.00</u>
	<u>Total Costs Accounted For</u>	<u>\$ 429,144.00</u>	<u>\$ 183,960.00</u>	<u>\$ 113,400.00</u>	<u>\$ 131,784.00</u>

Answer Key

Testname: UNTITLED1

299)		Step 1	Step 2		
	Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
	Units to account for:				
	Beginning Inventory	19,200			
	Transferred In	64,800			
	<u>Units to Account For</u>	<u>84,000</u>			
	Units Accounted for				
	Completed and transferred out	62,400	62,400	62,400	62,400
	Ending Work in process	21,600	21,600	21,600	15,120
	<u>Total Units Accounted for</u>	<u>84,000</u>			
	<u>Total Equivalent units</u>		<u>84,000</u>	<u>84,000</u>	<u>77,520</u>
	COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
	Beginning Work In Process	\$ 144,232	\$ 48,072	\$ 48,600	\$ 47,560
	Costs Added during the period	\$ 714,056	\$ 319,848	\$ 178,200	\$ 216,008
	<u>Total Costs to Account For</u>	<u>\$ 858,288</u>	<u>\$ 367,920</u>	<u>\$ 226,800</u>	<u>\$ 263,568</u>
	<u>Divide by Equivalent Units</u>		<u>84,000</u>	<u>84,000</u>	<u>77,520</u>
	<u>Cost per Equivalent Unit</u>		<u>\$ 4.38</u>	<u>\$ 2.70</u>	<u>\$ 3.40</u>
	ASSIGNMENT OF COSTS:				
	Completed and Transferred Out	\$ 653,952.00	\$ 273,312.00	\$ 168,480.00	\$ 212,160.00
	Ending Work In Process				
	Transferred In	\$ 94,608.00	\$ 94,608.00	\$ -	\$ -
	Direct Material	\$ 58,320.00	\$ -	\$ 58,320.00	\$ -
	Conversion	\$ 51,408.00	\$ -	\$ -	\$ 51,408.00
	<u>Total Ending WIP</u>	<u>\$ 204,336.00</u>	<u>\$ 94,608.00</u>	<u>\$ 58,320.00</u>	<u>\$ 51,408.00</u>
	<u>Total Costs Accounted For</u>	<u>\$ 858,288.00</u>	<u>\$ 367,920.00</u>	<u>\$ 226,800.00</u>	<u>\$ 263,568.00</u>

Answer Key

Testname: UNTITLED1

300) Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
Units to account for:				
Beginning Inventory	12,800			
Transferred In	43,200			
<u>Units to Account For</u>	<u>56,000</u>			
Units Accounted for				
Completed and transferred out	41,600	41,600	41,600	41,600
Ending Work in process	14,400	14,400	14,400	5,760
<u>Total Units Accounted for</u>	<u>56,000</u>			
<u>Total Equivalent units</u>		<u>56,000</u>	<u>56,000</u>	<u>47,360</u>
COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 97,040	\$ 32,080	\$ 32,400	\$ 32,560
Costs Added during the period	\$ 489,360	\$ 155,520	\$ 188,800	\$ 145,040
<u>Total Costs to Account For</u>	<u>\$ 586,400</u>	<u>\$ 187,600</u>	<u>\$ 221,200</u>	<u>\$ 177,600</u>
Divide by Equivalent Units		56,000	56,000	47,360
<u>Cost per Equivalent Unit</u>		<u>\$ 3.35</u>	<u>\$ 3.95</u>	<u>\$ 3.75</u>
ASSIGNMENT OF COSTS:				
Completed and Transferred Out	\$ 459,680.00	\$ 139,360.00	\$ 164,320.00	\$ 156,000.00
Ending Work In Process				
Transferred In	\$ 48,240.00	\$ 48,240.00	\$ -	\$ -
Direct Material	\$ 56,880.00	\$ -	\$ 56,880.00	\$ -
Conversion	\$ 21,600.00	\$ -	\$ -	\$ 21,600.00
<u>Total Ending WIP</u>	<u>\$ 126,720.00</u>	<u>\$ 48,240.00</u>	<u>\$ 56,880.00</u>	<u>\$ 21,600.00</u>
<u>Total Costs Accounted For</u>	<u>\$ 586,400.00</u>	<u>\$ 187,600.00</u>	<u>\$ 221,200.00</u>	<u>\$ 177,600.00</u>

Answer Key

Testname: UNTITLED1

301) Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
Units to account for:				
Beginning Inventory	13,000			
Transferred In	43,000			
<u>Units to Account For</u>	<u>56,000</u>			
Units Accounted for				
Completed and transferred out	42,000	42,000	42,000	42,000
Ending Work in process	14,000	14,000	7,000	8,400
<u>Total Units Accounted for</u>	<u>56,000</u>			
<u>Total Equivalent units</u>		<u>56,000</u>	<u>49,000</u>	<u>50,400</u>
COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 83,400	\$ 32,000	\$ 16,400	\$ 35,000
Costs Added during the period	\$ 489,500	\$ 155,500	\$ 189,000	\$ 145,000
<u>Total Costs to Account For</u>	<u>\$ 572,900</u>	<u>\$ 187,500</u>	<u>\$ 205,400</u>	<u>\$ 180,000</u>
<u>Divide by Equivalent Units</u>		<u>56,000</u>	<u>49,000</u>	<u>50,400</u>
<u>Cost per Equivalent Unit</u>		<u>\$ 3.35</u>	<u>\$ 4.19</u>	<u>\$ 3.57</u>
ASSIGNMENT OF COSTS:				
Completed and Transferred Out	\$ 466,682.14	\$ 140,625.00	\$ 176,057.14	\$ 150,000.00
Ending Work In Process				
Transferred In	\$ 46,875.00	\$ 46,875.00	\$ -	\$ -
Direct Material	\$ 29,342.86	\$ -	\$ 29,342.86	\$ -
Conversion	\$ 30,000.00	\$ -	\$ -	\$ 30,000.00
<u>Total Ending WIP</u>	<u>\$ 106,217.86</u>	<u>\$ 46,875.00</u>	<u>\$ 29,342.86</u>	<u>\$ 30,000.00</u>
<u>Total Costs Accounted For</u>	<u>\$ 572,900.00</u>	<u>\$ 187,500.00</u>	<u>\$ 205,400.00</u>	<u>\$ 180,000.00</u>

Answer Key

Testname: UNTITLED1

302) Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
Units to account for:				
Beginning Inventory	9,600			
Transferred In	32,400			
<u>Units to Account For</u>	<u>42,000</u>			
Units Accounted for				
Completed and transferred out	41,200	41,200	41,200	41,200
Ending Work in process	10,800	10,800	10,800	5,400
<u>Total Units Accounted for</u>	<u>52,000</u>			
<u>Total Equivalent units</u>		<u>52,000</u>	<u>52,000</u>	<u>46,600</u>
COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 72,140	\$ 24,060	\$ 24,300	\$ 23,780
Costs Added during the period	\$ 356,924	\$ 159,924	\$ 89,100	\$ 107,900
<u>Total Costs to Account For</u>	<u>\$ 429,064</u>	<u>\$ 183,984</u>	<u>\$ 113,400</u>	<u>\$ 131,680</u>
<u>Divide by Equivalent Units</u>		<u>52,000</u>	<u>52,000</u>	<u>46,600</u>
<u>Cost per Equivalent Unit</u>		<u>\$ 3.54</u>	<u>\$ 2.18</u>	<u>\$ 2.83</u>
ASSIGNMENT OF COSTS:				
Completed and Transferred Out	\$ 352,040.57	\$ 145,771.94	\$ 89,847.69	\$ 116,420.94
Ending Work In Process				
Transferred In	\$ 38,212.06	\$ 38,212.06	\$ -	\$ -
Direct Material	\$ 23,552.31	\$ -	\$ 23,552.31	\$ -
Conversion	\$ 15,259.06	\$ -	\$ -	\$ 15,259.06
<u>Total Ending WIP</u>	<u>\$ 77,023.43</u>	<u>\$ 38,212.06</u>	<u>\$ 23,552.31</u>	<u>\$ 15,259.06</u>
<u>Total Costs Accounted For</u>	<u>\$ 429,064.00</u>	<u>\$ 183,984.00</u>	<u>\$ 113,400.00</u>	<u>\$ 131,680.00</u>

Answer Key

Testname: UNTITLED1

303) Flow of Production	Flow of physical units	Transferred In	Direct Materials	Conversion Costs
Units to account for:				
Beginning Inventory	19,200			
Transferred In	64,800			
<u>Units to Account For</u>	<u>84,000</u>			
Units Accounted for				
Completed and transferred out	62,400	62,400	62,400	62,400
Ending Work in process	21,600	21,600	21,600	19,440
<u>Total Units Accounted for</u>	<u>84,000</u>			
<u>Total Equivalent units</u>		<u>84,000</u>	<u>84,000</u>	<u>81,840</u>
COSTS TO ACCOUNT FOR:	TOTAL	Transferred in	Direct Materials	Conversion Costs
Beginning Work In Process	\$ 144,232	\$ 48,072	\$ 48,600	\$ 47,560
Costs Added during the period	\$ 709,376	\$ 316,848	\$ 178,200	\$ 214,328
<u>Total Costs to Account For</u>	<u>\$ 853,608</u>	<u>\$ 364,920</u>	<u>\$ 226,800</u>	<u>\$ 261,888</u>
<u>Divide by Equivalent Units</u>		<u>84,000</u>	<u>84,000</u>	<u>81,840</u>
<u>Cost per Equivalent Unit</u>		<u>\$ 4.34</u>	<u>\$ 2.70</u>	<u>\$ 3.20</u>
ASSIGNMENT OF COSTS:				
Completed and Transferred Out	\$ 639,243.43	\$ 271,083.43	\$ 168,480.00	\$ 199,680.00
Ending Work In Process				
Transferred In	\$ 93,836.57	\$ 93,836.57	\$ -	\$ -
Direct Material	\$ 58,320.00	\$ -	\$ 58,320.00	\$ -
Conversion	\$ 62,208.00	\$ -	\$ -	\$ 62,208.00
<u>Total Ending WIP</u>	<u>\$ 214,364.57</u>	<u>\$ 93,836.57</u>	<u>\$ 58,320.00</u>	<u>\$ 62,208.00</u>
<u>Total Costs Accounted For</u>	<u>\$ 853,608.00</u>	<u>\$ 364,920.00</u>	<u>\$ 226,800.00</u>	<u>\$ 261,888.00</u>

Answer Key

Testname: UNTITLED1

304)

Production Cost Worksheet
Finishing Department

<u>Flow of Production</u>	<u>Phys. units</u>	<u>Conversion</u>	<u>Trans.-in</u>
Work in process, beginning	8,000		
Transferred in during period	<u>32,000</u>		
To account for	<u>40,000</u>		
Units transferred out	36,000	36,000	36,000
Work in process ending	<u>4,000</u>	<u>1,200</u>	<u>4,000</u>
Accounted for	<u>40,000</u>	<u>37,200</u>	<u>40,000</u>
<u>Costs</u>	<u>Totals</u>	<u>Conversion</u>	<u>Trans.-in</u>
Work in process, beginning	\$34,000	\$20,000	\$14,000
Costs added during period	<u>138,000</u>	<u>38,000</u>	<u>100,000</u>
Total costs to account for	\$172,000	\$58,000	\$114,000
Divided by equivalent units		37,200	40,000
Equivalent unit costs	\$4.41	\$1.56	\$2.85
Assignment of costs:			
Transferred out (36,000 × \$4.41)			\$158,760
Work in process, ending:			
Transferred-in costs (4,000 × \$2.85)		\$11,400	
Conversion (1,200 × \$1.56)		<u>1,872</u>	<u>13,272</u>
Costs accounted for			<u>\$172,032</u>

Answer Key

Testname: UNTITLED1

305)

Production Cost Worksheet
Finishing Department
Weighted-Average Method

<i>Flow of production</i>	Physical Units	Conversion	Trans-In
Work in process, beginning	4,000		
Transferred in during period	<u>16,000</u>		
To account for	<u>20,000</u>		
Units transferred out	18,000	18,000	18,000
Work in process, ending	<u>2,000</u>	<u>600</u>	<u>2,000</u>
Accounted for	<u>20,000</u>	<u>18,600</u>	<u>20,000</u>

<i>Costs</i>	Totals	Conversion	Trans-in
Work in process, beginning	\$17,000	\$10,000	\$ 7,000
Costs added during period	<u>69,000</u>	<u>19,000</u>	<u>50,000</u>
Total costs to account for	\$86,000	\$29,000	\$57,000
Divided by equivalent units		<u>18,600</u>	<u>20,000</u>
Equivalent-unit costs	<u>\$ 4.41</u>	<u>\$ 1.56</u>	<u>\$ 2.85</u>

<i>Assignment of costs</i>		
Transferred out (18,000 × \$4.41)		\$79,380
Work in process, ending		
Transferred-in costs (2,000 × \$2.85)	\$5,700	
Conversion (600 × \$1.56)	<u>936</u>	<u>6,636</u>
Costs accounted for		<u>\$86,016</u>