

CH18 Problem Test

Calculator

1. Pr.18-1 Algo Guided

2. Pr.18-3 Algo

Entries for Process Cost System

Cincinnati Soap Company manufactures powdered detergent. Phosphate is placed in process in the Making Department, where it is turned into granulars. The output of Making is transferred to the Packing Department, where the packaging is added at the beginning of the process. On July 1, Cincinnati Soap Company had the following inventories:

Finished Goods	\$27,060
Work in Process—Making	10,520
Work in Process—Packing	13,710
Materials	5,940

Departmental accounts are maintained for factory overhead, which both have zero balances on July 1.

Manufacturing operations for July are summarized as follows:

a. Materials purchased on account	\$337,040
b. Materials requisitioned for use	
Phosphate—Making Department	\$222,640
Packaging—Packing Department	77,440
Indirect materials—Making Department	8,710
Indirect materials—Packing Department	3,120
c. Labor used	
Direct labor—Making Department	\$159,060
Direct labor—Packing Department	107,360
Indirect labor—Making Department	30,800
Indirect labor—Packing Department	55,220
d. Depreciation charged on fixed assets	
Making Department	\$29,040
Packing Department	23,980
e. Expired prepaid factory insurance	
Making Department	\$5,500
Packing Department	2,200
f. Applied factory overhead	
Making Department	\$75,900
Packing Department	83,860
g. Production costs transferred from Making Department to Packing Department	\$450,920
h. Production costs transferred from Packing Department to Finished Goods	\$722,260
i. Cost of goods sold during the period	\$724,900

Required:

1. Journalize the entries to record the operations, identifying each entry by letter. For a compound transaction, if an amount box does not require an entry, leave it blank.

Item	Account	Debit	Credit
a.			
b.			

Progress: 1/2 items

Check My Work 2 more Check My Work uses remaining.

Next

All work saved.

Email Instructor

Save and Exit

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1 Pt 10-1 App: Guided

2 Pt 10-3 App

b.			
c.			
d.			
e.			
f.			
g.			
h.			
i.			

2. Compute the July 31 balances of the inventory accounts.

Materials

Progress: 1/2 items

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1. Pt 10-1 Algo Guided

2. Pt 10-3 Algo

d.			
e.			
g.			
h.			
i.			

2. Compute the July 31 balances of the inventory accounts.

Materials Work in Process—Making Department Work in Process—Packing Department Finished Goods

3. Compute the July 31 balances of the factory overhead accounts. If required, use the minus sign to indicate a credit balance.

Factory Overhead—Making Department Factory Overhead—Packing Department

Progress: 1/2 items

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