

# Managerial accounting assignment

[Business](#)



1. The Allen Company uses a job-order costing system. The following activity took place during the month of March: Required: Prepare journal entries to record the information above. Key your entries by the letters a through i. Assume all purchases are made on account. 1 2 2. Hirpara Inc. has provided the following data for July: Required: Prepare T-accounts for Raw Materials, Work in Process, Finished Goods, and Manufacturing Overhead, and Cost of Goods Sold. Record the beginning balances and each of the transactions listed above. Finally, determine the ending balances. 3. Whether a company uses process costing or job-order costing depends on its industry. A number of companies in different industries are listed below: Brick manufacturer Contract printer that produces posters, books, and pamphlets to order Natural gas production company Dairy farm Coal mining company Specialty coffee roaster (roasts small batches of specialty coffee beans) Required: For each company, indicate whether the company is most likely to use job-order costing or process costing. 4 4. Granite Company uses a job-order costing system.

The company applies manufacturing overhead to jobs using a predetermined overhead rate based on direct labor-hours. Last year, manufacturing overhead and direct labor-hours were estimated at \$80, 000 and 16, 000 hours respectively, for the year. In June, Job #315 was completed. Materials costs on the job totaled \$1, 500 and labor costs totaled \$2, 400 at \$6 per hour. At the end of the year, it was determined that the company worked 15, 000 direct labor-hours for the year, and incurred \$78, 000 in actual manufacturing overhead costs. Required: a.

Determine the predetermined overhead rate for the year. b. Determine the amount of overhead charged to jobs during the year. c. Determine the amount of underapplied or overapplied overhead for the year. d. Assuming that 100 units were completed, determine the unit cost that would appear on the job cost sheet for Job #315. a.  $\$80,000 / 16,000 \text{ DLHs} = \$5 \text{ per DLH}$  b.  $15,000 \text{ DLHs} \times \$5 \text{ per DLH} = \$75,000$  5 5. Job 827 was recently completed. The following data have been recorded on its job cost sheet: The company applies manufacturing overhead on the basis of machine-hours.

The predetermined overhead rate is \$13 per machine-hour. Required: Compute the unit product cost that would appear on the job cost sheet for this job. 6 6. During July, the following transactions were recorded at Vorwerk Corporation. The company uses process costing. Required: Prepare journal entries for each of the transactions listed above. 7 7. McClafin Corporation uses process costing. A number of transactions that occurred in August are listed below. Required: Prepare journal entries for each of the transactions listed above. 8 8.

Harmon Company uses the weighted-average method in its process costing system. The Curing Department of Harmon Company reported the following information for the month of November. All materials are added at the beginning of the process. Required: Compute the following items using the weighted-average method: a. The equivalent units of production for materials. b. The cost per equivalent unit for conversion. c. The total cost assigned to units transferred out of the Curing Department during November. d. The cost assigned to work in process inventory as of November 30. 10 10. Baroche Inc. uses the weighted-average method in its process

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costing system. The following data concern the operations of the company's first processing department for a recent month. Required: Using the weighted-average method: a. Determine the equivalent units of production for materials and conversion costs. b. Determine the cost per equivalent unit for materials and conversion costs. c. Determine the cost of units transferred out of the department during the month. d. Determine the cost of ending work in process inventory in the department. 11 1