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| --- | --- | --- | --- | --- |
| A job order cost sheet for Bjerg Company is shown below. |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Job No. 92 |  |  | For 2,000 Units |  |  |  |  |  |
| Date | Direct Materials | Direct Labor | Manufacturing Overhead |  |  |  |  |  |
| Beg. Bal. Jan 1 | 5,000 | 6,000 | 4,200 |  |  |  |  |  |
| 8 | 6,000 |  |  |  |  |  |  |  |
| 12 |  | 8,000 | 6,400 |  |  |  |  |  |
| 25 | 2,000 |  |  |  |  |  |  |  |
| 27 |  | 4,000 | 3,200 |  |  |  |  |  |
|  | 13,000 | 18,000 | 13,800 |  |  |  |  |  |
| Cost of completed job: |  |  |  |  |  |  |  |
|  Direct materials |  |  $ 13,000  |  |  |  |  |  |
|  Direct labor |  |  | 18,000 |  |  |  |  |  |
|  Manufacturing overhead |  | 13,800 |  |  |  |  |  |
| Total cost |  |  |  $ 44,800  |  |  |  |  |  |
| Unit cost ($44,800 / 2,000) |  |  $ 22.40  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| a. On the basis of the foregoing data answer the following questions. |  |  |  |  |  |
|  a. What was the balance in Work in Process Inventory on January 1 if this was the only unfinished job? |  |  |
|  b. If manufacturing overhead is applied on the basis of direct labor cost, what overhead rate was used in each year? |
| b. Prepare summary entries at January 31 to record the current year's transactions pertaining to Job No. 92. |  |  |
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