

PROBLEM 4-16A Preparation of Production Report from Analysis of Work in Process—Weighted-Average Method (LO2, LO3, LO4, LO5)

Weston Products manufactures an industrial cleaning compound that goes through three processing departments—Grinding, Mixing, and Cooking. All raw materials are introduced at the start of work in the Grinding Department, with conversion costs being incurred evenly throughout the

CHECK FIGURE

(1) Materials: \$0.80 per unit; 5/31 WIP: \$25,000

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The following incomplete Work in Process account is available for the Refining Department for March:



excel

Work in Process—Refining Department

March 1 inventory (20,000 gallons; materials 100% complete; labor and overhead 90% complete)	38,000	Completed and transferred to Blending (? gallons)	?
March costs added:			
Raw materials (390,000 gallons)	495,000		
Direct labor	72,000		
Overhead	181,000		
March 31 inventory (40,000 gallons; materials 75% complete; labor and overhead 25% complete)	?		

The March 1 work in process inventory in the Refining Department consists of the following cost elements: raw materials, \$25,000; direct labor, \$4,000; and overhead, \$9,000.

Costs incurred during March in the Blending Department were: materials used, \$115,000; direct labor, \$18,000; and overhead cost applied to production, \$42,000. The company uses the weighted-average method in its process costing.

Required:

- Prepare journal entries to record the costs incurred in both the Refining Department and Blending Department during March. Key your entries to the items (a) through (g) below.
 - Raw materials were issued for use in production.
 - Direct labor costs were incurred.
 - Manufacturing overhead costs for the entire factory were incurred, \$225,000. (Credit Accounts Payable.)
 - Manufacturing overhead cost was applied to production using a predetermined overhead rate.
 - Units that were complete with respect to processing in the Refining Department were transferred to the Blending Department, \$740,000.
 - Units that were complete with respect to processing in the Blending Department were transferred to Finished Goods, \$950,000.
 - Completed units were sold on account, \$1,500,000. The Cost of Goods Sold was \$900,000.

- Post the journal entries from (1) above to T-accounts. The following account balances existed at the beginning of March. (The beginning balance in the Refining Department's Work in Process account is given above.)

Raw Materials	\$618,000
Work in Process—Blending Department	\$65,000
Finished Goods	\$20,000

After posting the entries to the T-accounts, find the ending balances in the inventory accounts and the manufacturing overhead account.

- Prepare a production report for the Refining Department for March.

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NEED QUESTION #2

NEED

NEED QUESTION #3