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| **P3-3A** | Fiedel Company manufactures its product, Vitadrink, through two manufacturing processes: Mixing and Packaging. All materials are entered at the beginning of each process. On October 1, 2008, inventories consisted of Raw Materials $26,000, Work in Process—Mixing $0, Work in Process—Packaging $250,000, and Finished Goods $289,000. The beginning inventory for Packaging consisted of 10,000 units that were 50% complete as to conversion costs and fully complete as to materials. During October, 50,000 units were started into production in the Mixing Department and the following transactions were completed.

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| **1.** | Purchased $300,000 of raw materials on account. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **2.** | Issued raw materials for production: Mixing $210,000 and Packaging $45,000. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **3.** | Incurred labor costs of $248,900. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **4.** | Used factory labor: Mixing $182,500 and Packaging $66,400. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **5.** | Incurred $790,000 of manufacturing overhead on account. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **6.** | Applied manufacturing overhead on the basis of $22 per machine hour. Machine hours were 28,000 in Mixing and 6,000 in Packaging. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **7.** | Transferred 45,000 units from Mixing to Packaging at a cost of $979,000. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **8.** | Transferred 53,000 units from Packaging to Finished Goods at a cost of $1,315,000. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |
| **9.** | Sold goods costing $1,604,000 for $2,500,000 on account. |
| http://edugen.wiley.com/edugen/courses/crs1865/common/art/pixel.gif |

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**Hint:** *Journalize transactions.* |
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| **Instructions**Journalize the October transactions. |
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