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| |  |  |  |  |  | | --- | --- | --- | --- | --- | | |  |  |  |  | | --- | --- | --- | --- | | |  | | --- | | **E20-5** | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |   Renteria Company applies manufacturing overhead to jobs on the basis of machine hours used. Overhead costs are expected to total $305,000 for the year, and machine usage is estimated at 125,000 hours.  For the year, $322,000 of overhead costs are incurred and 130,000 hours are used.   |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  | | --- | --- | --- | | |  |  | | --- | --- | | Compute the manufacturing overhead rate for the year. ***(Round answer to 2 decimal places, e.g. 10.50.)***  $   |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  | | --- | --- | --- | | |  |  | | --- | --- | | What is the amount of under- or overapplied overhead at December 31?  $   |  | | --- | |  | | | | http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif |

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| http://edugen.wiley.com/edugen/art2/common/pixel.gif | |  |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | |  |  |  |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | | Assuming the under- or overapplied overhead for the year is not allocated to inventory accounts, prepare the adjusting entry to assign the amount to cost of goods sold.   |  |  |  | | --- | --- | --- | | **Account/Description** | **Debit** | **Credit** | |  |  |  | |  |  |  | | | |