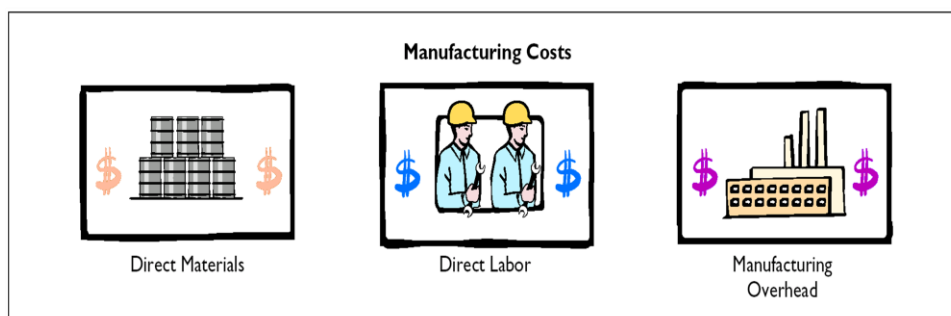
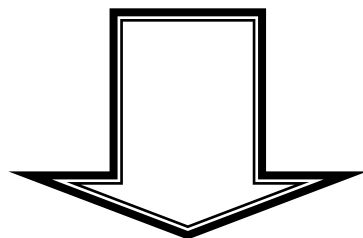


CLASSIFICATIONS OF MANUFACTURING COSTS

STUDY OBJECTIVE 1



Finishing goods



Cost of goods sold

GLOSSARY

Words	Mining
1- Beginning inventory	مخزون اول المدة
2- purchased	مشتريات
3- ending inventory	مخزون اخر المدة
4- Depreciation	اهلاكات
5- Costs of goods soled	تكلفة بضاعة مباعه
6- produced units	وحدات منتجة
7- Sales revenue	ايرادات مبيعات
8- Gross profit	مجمل ربح
9- Net income	صافى الدخل
10- Process costing system	نظام المراحل الانتاجية
11- Job order system	نظام الاوامر الانتاجية
12- Finishing goods	بضاعة تامة
13- System costing	مراحل التكاليف
14- employer payroll taxes.	الضريبة على المرتبات
15- exclusive	حصر
16- on account	على الحساب
17- partially	جزئياً
18- account payabel	دائنون

Manufacturing
cost data

Presented below are in complete manufacturing cost data. Determine the missing amounts for the four different situations :

	Direct material used	Direct labor	Factory overhead	Total manufacturing costs
1	25000	61000	50000	136000
2	81000	75000	140000	296000
3	55000	144000	111000	310000
4	15000	125000	5000	145000

Direct .m +direct .l+ factory. Over = total. Manufacturing cost

Data from above
and the data
below

Use the same data from above and the data below. Determine the missing amounts :

	Total manufacturing costs	Working in process 1/1	Working in process 31/12	Cost of goods manufactured
1	202000	120000	82000	240000
2	296000	123000	98000	321000
3	310000	643000	238000	715000
4	350000	75000	25000	400000

Total. Manufacturing cost+ work1/1 - work31/12= cost of goods

**Cost of goods
data**

Presented below are in complete cost of goods data. Determine the missing amounts for the four different situations :

	Cost of goods manufactured	Beginning Finished goods 1/1	Ending Finished goods 31/12	Cost of goods sold
1	400000	120000	82000	438000
2	600000	50000	100000	550000
3	400000	40000	40000	400000
4	450000	150000	100000	500000

cost of goods m+ beginning 1/1- beginning 31/12= cost of goods sold

During February, Cardella Manufacturing works on two jobs : A16 and B17. summary data concerning these jobs are as follows.

Manufacturing costs incurred :

- Purchased \$54000 of raw materials on account.**
- Factory labor \$76000, plus \$4000 employer payroll taxes.**
- Manufacturing overhead exclusive of indirect materials and indirect labor \$59800 .**

Assignment of costs :

- Direct materials : jobA16 \$27000, job B17 \$21000**
- Indirect materials : \$3000**
- direct labor : Job A16 \$52000, Job B17 \$26000**
- indirect labor : \$2000**
- manufacturing overhead rate : 80% of direct labor costs.**
- Job A16 was completed and sold on account for \$150000, Job B17 was only partially completed.**

Instruction :

- 1- Journalize the February transactions.**
- 2- What was the amount of under-or overapplied manufacturing overhead?**

1-		
Raw materials inventory	54000	
Accounts Payable		54000
(Purchase raw material on account)		

2-		
Factory Labor	80000	
Factory Wages Payable		76000
Employer Payroll Taxes Payable		4000
(To record overhead costs)		

3-		
Manufacturing overhead	59800	
Accounts Payable, Accumulated Depreciation , and Prepaid Insurance		59800
(To record overhead costs)		

4-		
Work in Process Inventory	48000	
Manufacturing Overhead	3000	
Raw Material Inventory		51000
(To assign factory labor to production)		

5-		
Work in Process Inventory	78000	
Manufacturing Overhead	2000	
Factory Labor		80000
(To assign factory labor to production)		

6-		
Work in Process Inventory	62400	
Manufacturing Overhead		62400
To assign overhead to jobs(80% × \$78000)		

7-		
Finished Goods Inventory	120600	
Work in Process Inventory		120600

(To record completion of job A16:direct materials \$27000,direct labor \$52000, and manufacturing overhead\$41600)		
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8-		
Accounts Receivable	150000	
Sales		150000
(To record sale of Job A16)		

Cost of Goods Sold	120600	
Finished Goods Inventory		120600
(To record cost of sale for Job A16)		

Manufacturing overhead

Debit		Credit	
59800	Account payable, accumulate	62400	Work in process inventory
3000	Raw materials inventory		
2000	Factory labor		
		2400	balance
64800		64800	
2400	Balance		