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|---|---|---|---|---|---|---|---|
| | | **Process Cost Accounting Handout** | | | | | |
| 1 | C | **EUP using weighted Average** | | | | | |
| | | A company uses weighted-average process costing for the product it manufactures. | | | | | |
| | | All direct materials are added at the beginning of production. | | | | | |
| | | Conversion costs are applied evenly during production. | | | | | |
| | | The following data apply to the past month: | | | | | |
| | | Assuming no spoilage, equivalent units of conversion costs total | | | | | |
| | | | | | | | |
| | | Total units in begin. Inventory (30% complete as to conversion cos | 1,500 | 30% | | | |
| | | Total units transferred to finished goods inventory | 7,400 | 100% | 7,400.00 | | |
| | | Total units in ending inventory (60% complete as to conversion co | 2,300 | 60% | 1,380.00 | | |
| | | | | | 8,780.00 | | |
| | | | | | | | |
| 2 | B | The following data pertain to a company's cracking-department operations in December. | | | | | |
| | | Materials are added at the beginning of the process | | | | | |
| | | Conversion costs are incurred uniformly throughout the process. | | | | | |
| | | Assuming use of the FIFO method of process costing, the equivalent units of conversion for December were | | | | | |
| | | | | | | | |
| | | Work-in-process, December 1 | Units | Completion | | | |
| | | Units started | 20,000 | 50% | (10,000) | | |
| | | Units completed & transferred to distilling dept. | 170,000 | | | | |
| | | Work-in-process, December 31 | 180,000 | | 180,000 | | |
| | | | 10,000 | 50% | 5,000 | | |
| | | EUP for Conversioncosts with LIFO | | | 175,000 | | |
| | | | | | | | |
| 3 | D | The following information pertains to Lap Co.'s Palo Division for the month of April: | | | | | |
| | | All materials are added at the beginning of the process. | | | | | |
| | | Using the weighted-average method, what is the cost per equivalent unit for materials? | | | | | |
| | | | | Number of Units | Cost of Materials | | |
| | | Beginning work-in-process | | 15,000 | 5,500 | | |
| | | Started in April | | 40,000 | 18,000 | | |
| | | Units completed | | 42,500 | | | |
| | | Ending work-in-process | | 12,500 | | | |
| | | EUP andTotal Materials Costs | | 55,000 | 23,500 | | |
| | | Cost per EUP | | $        0.43 | | | |
| | | | | | | | |