Use the following to answer questions 1-2:

A sporting goods manufacturer buys wood as a direct material for baseball bats. The Forming Department processes the baseball bats, and the bats are then transferred to the Finishing Department where a sealant is applied. There was no beginning work in process inventory in the Forming Department in May. The Forming Department began manufacturing 10,000 Casey Slugger baseball bats during May. Costs for the Forming Department for the month of May were as follows:

Direct materials	$33,000
Conversion costs	$17,000

A total of 8,000 bats were completed and transferred to the Finishing Department during May. The ending work in process inventory was 100% complete with respect to direct materials and 25% complete with respect to conversion costs. The company uses the weighted-average method of process costing.

1. The cost of the units transferred to the Finishing Department during May was:

A) $50,000.
B) $40,000.
C) $53,000.
D) $42,400.

2. The cost of the work in process inventory in the Forming Department at the end of May was:

A) $7,600.
B) $10,000.
C) $2,500.
D) $4,000.

Use the following to answer questions 3-4:

The following data relate to the Blending Department of Tru-Color Paint Company for a recent month:

	Number of Units	Percent Complete Conversion Costs
Beginning work in process inventory	9,000	60%
Units started into production	45,000	-
Units completed and transferred out	46,000	-
Ending work in process inventory	8,000	25%

All materials are added prior to the beginning of work in the Blending Department.

3. Assuming that Tru-Color Paint Company uses the weighted-average method, the equivalent units of production for materials would be:

A) 48,000.
B) 46,000.
C) 54,000.
D) 45,000.

4. Assuming that Tru-Color Paint Company uses the weighted-average method, the equivalent units of production for conversion costs would be:

A) 44,400.
B) 42,600.
C) 46,000.
D) 48,000.

5. Lucas Company uses the weighted-average method in its process costing system. The company adds materials at the beginning of the process in the Forming Department, which is the first of two stages in its production process. Information concerning operations in the Forming Department in October follows:

	Units	Materials Cost
Work in process on October 1	6,000	$ 3,000
Units started during October	50,000	$25,560
Units completed and transferred to the next Department during October	44,000	

What was the materials cost of work in process at October 31?

A) $3,060
B) $5,520
C) $6,000
D) $6,120

6. David Company uses the weighted-average method in its process costing system. The first processing department, the Welding Department, started the month with 20,000 units that were 80% complete with respect to conversion costs. The conversion cost in this beginning work in process inventory was $123,200. An additional 65,000 units were started into production during the month. There were 19,000 units in the ending work in process inventory of the Welding Department that were 10% complete with respect to conversion costs. A total of $389,250 in conversion costs were incurred in the department during the month.

What would be the cost per equivalent unit for conversion costs for the month? (Round off to three decimal places.)

A) $7.547
B) $7.700
C) $4.634
D) $5.988

7. Larner Company uses the weighted-average method in its process costing system. Operating data for the first processing department for the month of June appear below:

	Units	Percentage complete
Beginning work in process inventory	24,000	40%
Started into production during June	86,000	
Ending work in process inventory	19,000	20%

According to the company's records, the conversion cost in beginning work in process inventory was $68,064 at the beginning of June. Additional conversion costs of $585,324 were incurred in the department during the month.

What was the cost per equivalent unit for conversion costs for the month? (Round off to three decimal places.)

A) $6.892
B) $6.806
C) $5.575
D) $7.090

Use the following to answer questions 8-9:

Information about units processed and processing costs incurred during a recent month in the Blending Department of a manufacturing company follow:

	Number of Units	Percent Completion Conversion Costs
Beginning work in process inventory	11,000	35%
Units started into production	120,000	-
Units completed and transferred out	114,000	-
Ending work in process inventory	17,000	30%

The beginning work in process inventory included $11,000 of conversion cost. During the month, the Department incurred an additional $290,000 in conversion costs.

8. Assuming that the company uses the weighted-average cost method, what is the cost per equivalent unit for conversion costs for the month in the Blending Department to the nearest cent?

A) $2.55
B) $2.53
C) $2.50
D) $2.44

9. Assuming that the company uses the weighted-average cost method, what are the equivalent units of production for conversion costs for the Blending Department for the month?

A) 119,100
B) 120,000
C) 114,000
D) 131,000

10. Sarver Company uses the weighted-average method in its process costing system. The Fitting Department is the second department in its production process. The data below summarize the department's operations in March.

	Units	Percentage complete
Beginning work in process inventory	7,100	70%
Transferred in from the prior department during March	61,000	
Ending work in process inventory	4,600	30%

The Fitting Department's production report indicates that the cost per equivalent unit for conversion cost for March was $8.24.
How much conversion cost was assigned to the units transferred out of the Fitting Department during March?

A) $482,287.20
B) $502,640.00
C) $523,240.00
D) $561,144.00

Answer Key -- Quiz Chapter 4 Fall 1999

1. D $42,400.
   Format: Multiple Choice
   Difficulty: Medium
   Type: CMA adapted
   Origin: Chapter 4, Systems Design: Process 63
   Refer To: Ref. 4-1

2. A $7,600.
   Format: Multiple Choice
   Difficulty: Medium
   Type: CMA adapted
   Origin: Chapter 4, Systems Design: Process 64
   Refer To: Ref. 4-1

3. C 54,000.
   Format: Multiple Choice
   Difficulty: Medium
   Type: *(None)*
   Origin: Chapter 4, Systems Design: Process 77
   Refer To: Ref. 4-6

4. D 48,000.
   Format: Multiple Choice
   Difficulty: Medium
   Type: *(None)*
   Origin: Chapter 4, Systems Design: Process 78
   Refer To: Ref. 4-6

5. D $6,120
   Format: Multiple Choice
   Difficulty: Medium
   Type: CMA adapted
   Origin: Chapter 4, Systems Design: Process 22

6. A $7.547
   Format: Multiple Choice
   Difficulty: Medium
   Type: *(None)*
   Origin: Chapter 4, Systems Design: Process 23

7. A $6.892
   Format: Multiple Choice
   Difficulty: Medium
   Type: *(None)*
   Origin: Chapter 4, Systems Design: Process 24

8. B $2.53
   Format: Multiple Choice
   Difficulty: Medium
   Type: *(None)*
   Origin: Chapter 4, Systems Design: Process 84
   Refer To: Ref. 4-9

9. A 119,100

Format: Multiple Choice
Difficulty: Medium
Type: *(None)*
Origin: Chapter 4, Systems Design: Process 83
Refer To: Ref. 4-9

10. C $523,240.00
Format: Multiple Choice
Difficulty: Medium
Type: *(None)*
Origin: Chapter 4, Systems Design: Process 30