

MANAGEMENT ACCOUNTING QUIZ 2
MANUFACTURING FLOW CHART JOURNAL ENTRIES

	DEBIT	CREDIT	EXPLANATION
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

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MANUFACTURING FLOW CHART JOURNAL ENTRIES

Answers:

	DEBIT	CREDIT	EXPLANATION
1	Raw Material Inventory	Accounts Payable	Purchase Raw Materials
2	Goods in Process Inventory	Raw Materials Inventory	Use of Direct Materials
3	Factory Overhead	Raw Materials Inventory	Use of Indirect Materials
4	Factory Payroll	EI, CPP, Tax and Wages Payable	Payroll for Factory
5	Goods in Process Inventory	Factory Payroll	Direct Labour for the period
6	Factory Overhead	Factory Payroll	Indirect Labour for the period
7	Factory Overhead	Asset or Liability	All other Factory Expenses including period end adjustments.
8	Goods in Process Inventory	Factory Overhead	Application of Factory Overhead to Completed Jobs or at Period End
9	Finished Goods Inventory	Goods In Process Inventory	Transfer of Completed Jobs
10	Cost of Goods Sold	Finished Goods Inventory	Transfer cost when jobs are sold