

I-19.04

Soldatna Corporation's controller frequently prepared T-accounts to analyze inventory. However, his penmanship was poor and he is no longer employed by the company. The following was reconstructed from a scratch pad left on his desk. The missing values (?) were illegible. Analyze the information and answer the requirements that follow.

Raw Materials	
beg. bal.	?
	?
175,000	
<hr/>	
175,000	?
102,000	
<hr/>	
<hr/>	

Cost of Goods Sold	
491,000	?
<hr/>	
491,000	?
481,000	
<hr/>	
<hr/>	

Work in Process	
beg. bal.	44,000
	460,000
113,000	
?	
?	
<hr/>	
477,000	?
?	
<hr/>	
<hr/>	

Factory Overhead	
35,000	?
40,000	
75,000	
?	
<hr/>	
?	?
?	
<hr/>	
<hr/>	

Finished Goods	
beg. bal.	131,000
	?
<hr/>	
?	?
100,000	
<hr/>	
<hr/>	

- Overhead is applied at 100% of direct labor cost. How much was direct labor?
- Was overhead over- or underapplied, and by how much?
- Which inventory category increased?
- Other factory overhead, besides indirect material and indirect labor, was \$75,000. Indirect labor was 25% of the direct labor. How much was indirect material?
- How much was cost of goods manufactured?