

B-20.06

Vasquez Systems produces high-quality table tops. Each table top is produced from a single large tree in a 3-step process consisting of milling, sanding, and cutting. All raw material is introduced at the start of the milling process. The company uses a process costing system for all costs incurred throughout the production cycle. The following data were extracted from each department's cost of production report prepared for April:

Milling Dept. The beginning balance of work in process was \$275,000. During April, additional costs of \$690,000 were incurred. The additional costs were attributable to direct materials (70%), direct labor (20%), and factory overhead (10%). The ending balance of work in process was \$160,000.

Sanding Dept. The beginning balance of work in process was \$175,000. During April, additional costs of \$400,000 were incurred. The additional costs were attributable to direct labor (70%) and factory overhead (30%). The ending balance of work in process was \$290,000.

Cutting Dept. The beginning balance of work in process was \$365,000. During April, additional costs of \$150,000 were incurred. The additional costs were attributable to direct labor (60%) and factory overhead (40%). The ending balance of work in process was \$210,000.

Prepare summary journal entries to reflect costs incurred by each department during April, as well as the transfer of costs between departments and into finished goods.