TUT 3:

| | Process Costing | Job Costing |
|---|---|---|
| Cost object | Similar, identical | distinct, unique |
| Eg: | foods, drinks | custom-made machine accounting ~~of~~ software |

equivalent unit (tương đương)

17-24

| Flow of production | Physical Units | Equivalent units DM | CC |
|---|---|---|---|
| Beginning WIP | 100 | | |
| Started during period | 510 | | |
| To account for | 610 | | |
| Completed & tranferred | 450 | 450 | 450 |
| Ending WIP | 160 | 160 × 80% = 128 | 160 × 40% = 64 |
| Accounted for | 610 | 578 | 514 |

17-25

| | Total cost | DMC | CC |
|---|---|---|---|
| Beginning WIP | 602,458 | 459,888 | 142,570 |
| Cost added | 5,153,000 | 3,237,000 | 1,916,000 |
| Total cost of | 5,755,458 | 3,696,880 | 2,058,570 |
| Cost / EU | | 6,396 | 4,005 |
| Completed units | 4,680,450 | 2,878,200 | 1,802,250 |
| | 1,075,008 | 818,688 | 256,320 |

allocation base.

Indirect cost: - Salary of manager in a muney company
- rental of factory

Pool 2: Depreciation of machine, Salary of cleaners

2, Job costing system : what is the cost object?

3, Costing approaches summarized

## Chapter 17: Process costing

17.24+17.25

| Flow of Production | Step 1 Physical units | Step 2 Equivalent Units Direct Materials | Equivalent Units Conversion Costs |
|---|---|---|---|
| Work in process, beginning (May 1) | 100 | | |
| Started in May 2017 | 510 | | |
| To account for | 610 | | |
| Completed and transfered out during May 2017 | 450 | 450 | 450 |
| Work in process, ending (May 31) | 160 | | |
| (160 x 80% ; 160 x 40%) | — | 128 | 64 |
| Accounted for | 610 | — | — |
| Equivalent units of work done to date | | 578 | 514 |

| | | Total Production Costs | Direct Materials | Conversion Costs |
|---|---|---|---|---|
| Step 3 | work in process, beginning (given) | $ 602458 | $459,888 | $442,570 |
| | Costs added during May 2017 | 5153000 | 3237 000 | 1916,000 |
| | Total costs to account for | $ 5755458 | $3,696,888 | $2,058,570 |
| Step4 | Costs incurred to date | | $3,696,888 | $2,058,570 |
| | Divide by equivalent units of work done to date | | ÷ 578 | ÷ 514 |
| | Cost per equivalent unit of work done to date | | $ 6,396 | $ 4,005 |

| | | | | |
|---|---|---|---|---|
| Step5 | Assignment of costs: | | | |
| | Completed and transfered out (450 units) | $4,680,450 | (450 × $6.36) | (450 × $4.005) |
| | Work in process, ending (160 units) | 1,015,008 | (128 × $6.36) | (64 × $4.005) |
| | Total costs accounted for | $5,755,458 | $3,696,588 | $2,058,570 |

17-26 + 17-27

| | Step 1 | Step 2 | |
|---|---|---|---|
| | | Equivalent Units | |
| Flow of Production | Physical units | Direct Materials | Conversion Cost |
| Work in process, beginning (May 31) (given) | 100 | (work done before current period) | |
| Started during current period (given) | 510 | | |
| To account for | 610 | | |
| Completed and transfered out during current period: | | | |
| From beginning work in process | 100 | | |
| [100 × (100% - 80%); 100 × (100% - 35%)] | | 20 | 65 |
| Started and completed (450 - 100) | 350 | | |
| (350 × 100%; 350 × 100%) | | 350 | 350 |
| Work in process, ending (given) | 160 | | |
| (160 × 80%; 160 × 40%) | — | 128 | 64 |
| Accounted for | 610 | — | — |
| Equivalent units of work done in current period | | 498 | 479 |

| | | Total Production Costs | Direct Materials | Conversion Costs |
|---|---|---|---|---|
| Step3 | Work in process, beginning (given) | $602,458 | $459,888 | $142,570 |
| | Costs added in current period (given) | 5,153,000 | 3,237,000 | 1,916,000 |
| | Total costs to account for | $5,755,458 | $3,696,888 | $2,058,570 |
| Step4 | Costs added in current period | | $3,237,000 | $1,916,000 |
| | Divide by equivalent units of work done in current period | | ÷ 498 | ÷ 479 |
| | Cost per equivalent unit of work done in current period | | $ 6,500 | $ 4,000 |

Step 5

| Assignment of costs: | | | |
|---|---|---|---|
| Completed and transferred out (450 units) | | | |
| Work in process, beginning (100 units) | $602,458 | $459,888 | $142,570 |
| Costs added to beginning work in process in current period | 390,000 | (20 × $6,500) | (65 × $4,100) |
| Total from beginning inventory | 992,458 | | |
| Started and completed (350 units) | 3,675,000 | (350 × $6,500) | (350 × $4,100) |
| Total costs of units completed and transferred out | 4,667,458 | | |
| Work in process, ending (110 units) | 1,088,000 | (110 × $6,500) | (64 × $4,000) |
| Total costs accounted for | $5,755,458 | $3,696,888 | $2,058,570 |