

The quantities and values of these materials will be posted at the end of the month to the credit of the several accounts in the Material Ledger, and the total will be transferred from the Material Account in the General Ledger to the Manufacturing Account in the General Ledger by the following Journal entry :

Chocolate Manufacturing	Dr.	
Material Account		Cr.
For Material for June.		

The Material for the other departments will be dealt with in like manner. All may be combined in one Journal entry if desired.

The question of prices in the foregoing summary presents a difficulty. Since there may be several purchases of any material during the month, the price of material used may not be the same throughout the month. This difficulty is met by taking in any month the average price, including freight, extending over a period of some months preceding.

Form of Summary of Goods Manufactured

Goods Manufactured

CHOCOLATE DEPARTMENT

Month of

Date		Creams	Chocolates	Caramels	
June	2	63 lbs.	38 lbs.	38 lbs.	
"	3	60 lbs.	50 lbs.	63 lbs.	
dec.		dec.	dec.	dec.	
Total		Total	Total	Total	

The totals in this summary correspond with the totals of goods received, entered by the storekeeper in his books. They are not posted into the books of account, but are used in finding the average cost per pound.

WAGES

By entering the names of employees on the pay roll in groups according to the departments they are engaged in, the total of wages for each department may be obtained.

These totals may be posted directly to the Manufacturing accounts, or to the debit of a Wages account, from which they are distributed to the different Manufacturing accounts by the following journal entry :

Chocolate Manufacturing	Dr.	
Bonbons Manufacturing	"	
Taffy Manufacturing	"	
General Wages		Cr.
For wages for June.		

WORKSHOP EXPENSES

It is obvious that any piece of work turned out by a factory costs more than the material it contains, together with the wages of the workmen engaged on its production. Factory space, light, heat, power, machinery, etc., have been used, and a foreman or a superintendent has spent all or part