

20-2 WORK TOGETHER, p. 632

Determining the cost of inventory using the FIFO, LIFO, and weighted-average inventory costing methods

FIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	FIFO Units on Hand	FIFO Cost
January 1, beginning inventory	14	\$32.00	\$ 448.00		
March 29, purchases	9	34.00	306.00		
May 6, purchases	10	36.00	360.00		
August 28, purchases	8	38.00	304.00		
November 8, purchases	9	40.00	360.00		
Totals	50		\$1,778.00		

LIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	LIFO Units on Hand	LIFO Cost
January 1, beginning inventory	14	\$32.00	\$ 448.00		
March 29, purchases	9	34.00	306.00		
May 6, purchases	10	36.00	360.00		
August 28, purchases	8	38.00	304.00		
November 8, purchases	9	40.00	360.00		
Totals	50		\$1,778.00		

Weighted-Average Method

Purchases			Total Cost
Date	Units	Unit Price	
January 1, beginning inventory	14	\$32.00	
March 29, purchases	9	34.00	
May 6, purchases	10	36.00	
August 28, purchases	8	38.00	
November 8, purchases	9	40.00	
Totals	50		

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FIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	FIFO Units on Hand	FIFO Cost
January 1, beginning inventory	18	\$3.60	\$ 64.80		
April 9, purchases	12	3.70	44.40		
June 12, purchases	14	3.80	53.20		
September 22, purchases	15	4.00	60.00		
November 20, purchases	16	4.10	65.60		
Totals	75		\$288.00		

LIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	LIFO Units on Hand	LIFO Cost
January 1, beginning inventory	18	\$3.60	\$ 64.80		
April 9, purchases	12	3.70	44.40		
June 12, purchases	14	3.80	53.20		
September 22, purchases	15	4.00	60.00		
November 20, purchases	16	4.10	65.60		
Totals	75		\$288.00		

Weighted-Average Method

Purchases			Total Cost
Date	Units	Unit Price	
January 1, beginning inventory	18	\$3.60	
April 9, purchases	12	3.70	
June 12, purchases	14	3.80	
September 22, purchases	15	4.00	
November 20, purchases	16	4.10	
Totals	75		

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FIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	FIFO Units on Hand	FIFO Cost
January 1, beginning inventory	100	\$4.00	\$ 400.00		
March 13, purchases	88	4.10	360.80		
June 8, purchases	90	4.25	382.50		
September 16, purchases	94	4.30	404.20		
December 22, purchases	98	4.40	431.20		
Totals	470		\$1,978.70		

LIFO Method

Purchase Dates	Units Purchased	Unit Price	Total Cost	LIFO Units on Hand	LIFO Cost
January 1, beginning inventory	100	\$4.00	\$ 400.00		
March 13, purchases	88	4.10	360.80		
June 8, purchases	90	4.25	382.50		
September 16, purchases	94	4.30	404.20		
December 22, purchases	98	4.40	431.20		
Totals	470		\$1,978.70		

Weighted-Average Method

Purchases			Total Cost
Date	Units	Unit Price	
January 1, beginning inventory	100	\$4.00	
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