

Inventory Valuation Example 1

Date	Transactions	Units Purchased	Units Sold	Unit Cost	Inventory Units
May 1	Inventory	700		\$10	700
May 3	Purchase	100		\$12	800
May 8	Sale (*1)		500	??	300
May 15	Purchase	600		\$14	900
May 19	Purchase	200		\$15	1,100
May 25	Sale (*2)		400	??	700
May 27	Sale (*3)		100	??	600
May 31	Ending Inventory			??	600
	Total	1,600	1,000		

FIFO, Perpetual	Purchases	Sale (*1)	Sale (*2)	Sale (*3)	Ending Inventory
	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">700 x \$10</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">100 x \$12</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">600 x \$14</div> <div style="border: 1px solid black; padding: 5px;">200 x \$15</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">500 x \$10</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">200 x \$10</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">100 x \$12</div> <div style="border: 1px solid black; padding: 5px;">100 x \$14</div>	<div style="border: 1px solid black; padding: 5px;">100 x \$14</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">400 x \$14</div> <div style="border: 1px solid black; padding: 5px;">200 x \$15</div>
	\$ 19,600	\$ 5,000	\$ 4,600	\$ 1,400	\$ 8,600
	Total Purchases \$ 19,600	Cost of goods sold \$ 11,000			Ending Inventory \$ 8,600

FIFO, Periodic	Purchases	Sale (*1)	Sale (*2)	Sale (*3)	Ending Inventory
	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">700 x \$10</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">100 x \$12</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">600 x \$14</div> <div style="border: 1px solid black; padding: 5px;">200 x \$15</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">500 x \$10</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">200 x \$10</div> <div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">100 x \$12</div> <div style="border: 1px solid black; padding: 5px;">100 x \$14</div>	<div style="border: 1px solid black; padding: 5px;">100 x \$14</div>	<div style="border: 1px solid black; padding: 5px; margin-bottom: 5px;">400 x \$14</div> <div style="border: 1px solid black; padding: 5px;">200 x \$15</div>
	\$ 19,600	\$ 5,000	\$ 4,600	\$ 1,400	\$ 8,600
	Total Purchases \$ 19,600	Cost of goods sold \$ 11,000			Ending Inventory \$ 8,600