

Answers to Study Guide Questions

CHAPTER 17

PART 1 *True/False*

- | | |
|------|-------|
| 1. F | 6. T |
| 2. T | 7. T |
| 3. F | 8. F |
| 4. F | 9. F |
| 5. T | 10. T |

PART 2 *Completion—Language of Business*

- | | |
|----------------------------|----------------------------|
| 1. periodic | 6. moving average |
| 2. consistency | 7. last-in, first-out |
| 3. specific-identification | 8. perpetual inventory |
| 4. first-in, first-out | 9. lower-of-cost-or-market |
| 5. weighted-average-cost | |

PART 3 *Inventory Methods*

- | | |
|------|------|
| 1. A | 6. A |
| 2. D | 7. B |
| 3. B | 8. C |
| 4. D | 9. A |
| 5. C | |

PART 4 Cost of Goods Sold Items

	Company		
	A	B	C
Beginning inventory	\$ 61,200	\$281,520	\$ 385,560
Delivered cost of purchases	448,000	183,600	918,000
Goods available for sale	510,000	465,120	1,303,560
Ending inventory	81,600	244,800	354,960
Inventory increase (decrease)	20,400	(36,720)	(30,600)
Cost of goods sold	428,400	220,320	948,600

PART 5 Calculating Inventory

1. \$580.30
2. \$562.80
3. \$547.60
4. April 7
5. \$1,183.20
6. \$2,656
7. \$1,472.80
8. \$1,215.90
9. \$1,440.10