PROBLEM INFORMATION			
	COST	RETAIL	
Lucenter, heriorier	25	FO	
Inventory, beginning	30	. 50	
Purchases	60	80	
Net Mark-ups		4	
Net Mark Downs		2	
Net Sales		70	

RETAIL AVERAGE METHOD		
Inventory, beginning	35	50
Purchases	60	80
Net Mark-ups		4
Net Mark Downs		-2
Goods available for sale	95	132
Cost / Retail (95 / 132) = 72%		2000 - 100 100
		70
Less: Net Sales	-	/0
Estimated ending inventory @ retail		62
Estimated ending inventory @ retain		02
Estimated ending inventory @ cost		
72% X 62 =	45	

RETAIL CONVENTIONAL METHOD		
Inventory, beginning	35	50
Purchases	60	80
Net Mark-ups		4
Goods available for sale	95	134
Cost / Retail (95 / 134) = 71%		
Less: Net Markdowns		-2
	95	132
Less: Net Sales		70
Estimated ending inventory @ retail	•	62
Estimated ending inventory @ cost		
71% X 62 =	44	

Retail LIFO Method				
nventory, beginning			35	50
Purchases			60	80
Net Mark-ups				4
Net Mark Downs				-2
Goods available for sale			95	132
Cost / Retail (60 / 82) =	73%			
ess: Net Sales	,			70
Estimated ending inven	tory @ ret	ail	_	62
Estimated ending inven	tory @ cos	st		
	<u>Retail</u>	<u>Cost</u>		
Beg. Inv	50	35		
Current Period Layer	12	9	(12 X 73%)	
est. end. Inv	@ cost =	4	4	