1. (6 points)
The beginning inventory and purchases of an item for the period were as follows:

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
<th>Quantity</th>
<th>Price Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1</td>
<td>Beginning</td>
<td>500</td>
<td>$78</td>
</tr>
<tr>
<td>April 30</td>
<td>Purchase</td>
<td>500</td>
<td>$80</td>
</tr>
<tr>
<td>August 13</td>
<td>Purchase</td>
<td>800</td>
<td>$82</td>
</tr>
<tr>
<td>October 31</td>
<td>Purchase</td>
<td>400</td>
<td>$84</td>
</tr>
</tbody>
</table>

There are 500 units of the item in the physical inventory at December 31.

Required:
(a) Calculate the cost of goods available for sale; and
(b) Calculate the cost of goods sold and cost of ending inventory under FIFO, LIFO and Average Cost

<table>
<thead>
<tr>
<th></th>
<th>FIFO</th>
<th>LIFO</th>
<th>Average Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of Goods Sold</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Ending Inventory</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
2. (2.5 points)
You are responsible for properly reporting "inventory" on Rock Inc.'s balance sheet. The Dec 31 physical inventory count reflected the cost to be $275,000 but the following information was not considered, or included, when determining that amount.

- Merchandise was sold and shipped FOB Shipping Point to Paper Inc. on Dec 29th. The goods are not expected to reach Paper Inc. until Jan 4th. (Cost = $125,000 ; Selling price = $140,000 )
- Merchandise was purchased by Rock and shipped FOB Destination on Dec 27th. The goods are not expected to reach Rock Inc. until Jan 3rd. $80,000
- Merchandise was purchased by Rock and shipped FOB Shipping Point on Dec 28th. The goods are not expected to reach Rock Inc. until Jan 2nd. $107,000
- Merchandise was sold and shipped FOB Destination to Scissors Inc. on Dec 26th. The goods are not expected to reach Scissors until Jan 5th. (Cost = $94,000 ; Selling price = $136,000 )

**Required:** Determine the correct inventory amount on December 31st. $______________

(Partial credit available if you show your work.)

3. (4 points)

- Your company's cash account reflects an ending balance of: 14,003
- The bank's statement reflects an ending balance of: 15,238
- The bank collected payments directly from customers: 420
- The bank charged service fees totaling: 35
- The bank paid interest of: 44
- Outstanding checks total: 1,500
- Deposits in transit total: 509
- A customer's payment came back as "NSF": 185

**Required:** Calculate the "adjusted balance" for both the bank and for the company.

(Partial credit available if you show your work.)