



5. In your own words, please explain the concept behind Weighted Average.

6. Please identify and explain 3 advantages of the FIFO method.

7. Please identify and explain 2 disadvantages of the FIFO method.

8. Please identify and explain 3 advantages of the LIFO method.

9. Please identify and explain 2 disadvantages of the LIFO method.

10. Please identify 2 advantages of the Weighted Average method.

11. Please identify a disadvantage of the Weighted Average method.

12. Assume you are setting up a small retail business, selling widgets, and you expect the cost of your inventory to typically rise because of inflation. What inventory valuation method would you choose? PLEASE BE SURE TO EXPLAIN WHY.