CONCEPT: COST OF GOODS SOLD – PERPETUAL INVENTORY VS PERIODIC INVENTORY

● A ***perpetual inventory*** system updates the inventory account after ____________________

- ☐ Barcodes have made perpetual inventory systems the industry norm
- ☐ The perpetual inventory system makes _______ entries when a sale is made

Things on Shelves Company sells things on shelves. Mandy walks in and buys a thing for $15. The thing cost Things on Shelves $5.

Journal Entry:

Assets	=	Liabilities	+	Equity

● A ***periodic inventory*** system updates the inventory account at ________________ of the accounting period.

- ☐ The periodic inventory system makes _______ entries when a sale is made

Things on Shelves Company sells things on shelves. Mandy walks in and buys a thing for $15. The thing cost Things on Shelves $5.

Journal Entry:

Assets	=	Liabilities	+	Equity

$$Beginning\ Balance + Additions - Subtractions = Ending\ Balance$$

Inventory Beginning Balance + ______________ - _______________ = Inventory Ending Balance

$COGS =$