Q#1 Define

1. Inventory Management
2. Selective Inventory Control
3. ABC Classification System
4. Two-Bin System
5. X-Y-Z Classification
6. Basic EOQ
7. EOQ with Quantity Discounts
8. EOQ for Production Lots
9.

Q#2 Complete

1. Inventory categories are … (three categories)
2. Inventory Cost types are … (mention three main types – slide 28 l.1)
3. There are three methods valuing the inventory … (three methods – L.3)
4. Reorder Quantity Methods … (three Methods)
5. EOQ is a system helps …
6. There are three models to Determining Order Quantities …(three models)
7. The formula of EOQ for Production Lots is …
8. The formula of Basic EOQ is …
9. The formula of EOQ with Quantity Discounts is …
10.

Q#3 Discuss

1. Objectives of inventory management
2. Factors influencing inventory.
3. Costs in inventory. (slides 28-31 in L.1)
4. Functions in inventory. (slides 3-6 in L.2)
5. Classification of Materials for Inventory Control. (slides 9-last in L.2)
6. Reorder Quantity Methods … (three Methods)
7. Basic EOQ
8. EOQ for Production Lots (Model II)
9. EOQ with Quantity Discounts (Model III)
10.

Q#4 Calculations

Mr. Adam Mahmoud runs a shop. He enters into the following transactions during October:

October 1	Purchased	800 widgets at	$10/unit
October 5	Sold	300 units of goods at	$11/unit
October 8	Sold	320 units of goods at	$12/unit

October 10	Purchased	500 widgets at	$15/unit
October 11	Sold	400 units of goods at	$16/unit
October 14	Purchased	150 widgets at	$15/unit
October 18	Sold	200 units of goods at	$14/unit

Calculate ending inventory using

A. FIFO and
B. LIFO
C. WAC Method

Q#5

Q#6 Compare

There are several types of locator systems. Mention the name of them, and then select two types of them to compare the basic concept, Conditions, Impact on Physical Space, and pros & cons.

Q#7 **Calculations**

A Company buys coal to generate electricity. The seller company can supply coal at the rate of 3,500 tons per day for $10.50 per ton. The buyer company uses the coal at a rate of 800 tons per day and operates 365 days per year. The buyer company's annual carrying cost for coal is 20% of the acquisition cost, and the ordering cost is $5,000. Calculate the following:

a) EOQ?
b) Total Annual Stocking Cost?