**Solution:**

(1)

The comparative statements of the gross margin using the different methods are as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Particulars | Amount (in thousands of $) using | | | |
| FIFO | LIFO | Avg. Cost | Specific |
| Purchase of Goods  Beginning Inventory | 196  40 | 196  40 | 196  40 | 196  40 |
| Goods Available for Sale  Deduct: End Inventory | 236  (90) | 236  (65) | 236  (76.96) | 236  (81) |
| Cost of Goods Sold | 146 | 171 | 159.04 | 155 |

(2)

(a) The difference would be:

(b) The difference would be: