

STORE LEDGER

13. The particulars of receipts and issues of materials in a factory in January, 2015 are as under :

Jan.	1 Opening Balance	1500 Kgs.@ ₹12.00 per kg
	2 Issued	650 Kgs.
	5 Purchased	400 kgs.@ ₹12.60 per kg
	9 Issued	300 kgs.
	10 Purchased	200 kgs.@ ₹12.50 per kg
	11 Issued	300 kgs.
	12 Returned from workshop issued on 2nd January	20 kgs.
	13 Issued	450 kgs.
	16 Purchased	500 kgs.@ ₹13.00 per kg
	18 Issued	400 kgs.
	22 Purchased	300 kgs.@ ₹12.00 per kg
	30 Issued	200 kgs.

Pricing of issued is to be done on FIFO basis. A shortage of 10 kg. was noticed on 16th January. Prepare the Store Ledger for the month of January, 2015. **[1985]**

[Ans. : Value of closing stock = (310 + 300) = 610 units; ₹7,630]

14. The following is an extract of the record of receipts and issues of Sulphur in a chemical factory during January, 2015:

January	1 Opening Balance	500 tons @ ₹ 200
	8 Issued	250 tons
	13 Received from supplier	200 tons @ ₹ 190
	16 Issued	180 tons
	20 Received from supplier	240 tons @ ₹ 180
	24 Issued	300 tons
	25 Received from supplier	320 tons @ ₹ 190
	28 Issued	200 tons
	29 Returned from Department	30 tons @ ₹ 190

Issues are to be priced on the principle of first-in-first-out. The stock verifier of the factory had found a shortage of 10 tons on 22nd January and left a note accordingly.

Draw up a priced Stores Ledger card for the material, showing the above transactions.

[Ans. Value of closing stock 350 tons valued ₹ 66,500; Value of Issues : ₹ 50,000; ₹ 36,000; ₹ 57,200; ₹ 36,000.]

15. The following are the particulars of the receipts and issues of materials in a factory during January, 2015:

January	2 Opening Balance	1,000 kg @ ₹ 30
	3 Issued	140 kg
	4 Issued	200 kg
	8 Issued	160 kg
	13 Received from vendor	400 kg @ ₹ 35

15 Return of surplus from a work order	30 kg @ ₹ 28
16 Issued	360 kg
18 Received from vendor	600 kg @ ₹ 32
20 Issued	550 kg
22 Received from vendor	400 kg @ ₹ 34
24 Issued	250 kg
29 Return of surplus from a work order	40 kg @ ₹ 32
30 Received from vendor	200 kg @ ₹ 36

Prepare separate statements, showing how the value of the issues noted above should be arrived at under the LIFO and FIFO methods.

[Ans. Value of closing stock : Under LIFO : ₹ 32,420; FIFO : ₹ 33,920. Value of Issues : Under LIFO : ₹ 4,200, ₹ 6,000, ₹ 4,800, ₹ 12,600, ₹ 17,600; ₹ 8,500. Under FIFO : ₹ 4,200, ₹ 6,000, ₹ 4,800; ₹ 10,740, ₹ 18,400, ₹ 8,060.]

[Hints.: 'Return of Surplus from work order is to be posted in the 'Receipts column' of stores ledger with a proper remark in 'Remark Column'.]

16. Prepare a Stores Ledger Account under the LIFO method of pricing the issue of stores, using the following information :

2015

January	1 Balance in hand @ ₹ 1.10 per unit	100 units.
	2 Received @ ₹ 1.20 per unit	200 units
	10 Issued	150 units
	14 Received @ ₹ 1.30 per unit	100 units.
	18 Issued	150 units.
	23 Returned from the issue on 10th Jan.	20 units
	26 Received @ ₹ 1.20 per unit	100 units
	30 Wastage	10 units
	31 Issued	110 units.

[Ans. Value of closing stock 100 units ₹ 110; Rate of Return ₹ 1.20 per unit; Rate of shortage ₹ 1.20 per unit.]

[Hints.: 'Return from issue to the stores' is to be posted in the 'Receipts column' and 'Wastage of material' is to be shown in the 'Issue column' of Stores Ledger with proper remarks in 'Remarks column'.]

17. The particulars of receipts and issues of a certain material, during January 2015 are given below :

		Receipts		Issues	
		Units	Rate per unit ₹	Date	Units
Jan	6 Purchased	450	25.00	Jan. 3	600
	12 Purchased	600	24.50	8	500
	15 Return from Workshop (Issued on Jan. 3)	50	—	13	250
	22 Purchased	350	26.00	24	300
	28 Purchased	500	27.00	27	500
				31	300

Further information :

Opening Balance on January 1, 2015 : 1,000 units @ ₹24 per unit, A shortage of 15 units was noticed and recorded on January 9, 2015.

Prepare Stores Ledger in respect of the material for the month of January, 2015 under the LIFO system.

[1987]

	Units	Rate per unit	Amount ₹
	384	24.00	9216
[Ans. Value of closing stock 885 units]	350	24.50	8575

₹ 9,240]

18. From the following information select the suitable method of pricing material issues and write up a Stores Ledger Card based on that method :

January	1	2015	Opening balance	24,000 kg.	@ ₹7,500 per tonne.
"	1	"	Purchased	44,000 Kg.	@ ₹7,600 per tonne.
"	3	"	Issued	10,000 kg.	
"	5	"	Issued	16,000 kg.	
"	12	"	Purchased	10,000 kg.	@ ₹7,800 per tonne.
"	13	"	Issued	24,000 kg.	
"	18	"	Issued	25,000 kg.	
"	22	"	Purchased	50,000 kg.	@ ₹8,000 per tonne.
"	28	"	Issued	20,000 kg.	
"	31	"	Issued	22,000 kg.	

On 24th January, 2015 a shortage of 200 kg. was noticed in stock taking. [1996]

[Ans. Since price is increasing LIFO Method is the most appropriate for the pricing of issue. Value of Closing Stock 3,000 Kgs. @ ₹7,500 per tonne and 7,800 Kgs. @ ₹8,000 per tonne.]

19. The particulars of receipts and issues of a certain material during January, 2015 are given below :

Date	Receipts	Units	Rate per unit ₹	Date	Issue	Units
Jan. 6	Purchased	450	25.00	Jan 3		600
12	Purchased	600	24.50	8		500
15	Return from workshop (Issued on Jan 3)	50	—	18		250
22	Purchased	350	26.00	24		300
28	Purchased	500	27.00	27		100
				31		300

Further Information :

Opining Balance on January 1, 2015; 1,000 units @ ₹ 24 per unit. A shortage of 15 units was noticed and recorded on January 9, 2015.

Prepare a stores Ledger in respect of the material for the month of January, 2015 under LIFO System.

[Ans. Value of closing stock 885 units ₹ 21,990 value of Issues ₹ 14,400, ₹ 12,450; ₹ 6,125, ₹ 7,800, ₹ 2,525, ₹ 8,100, Value of Shortage ₹ 360.]

20. From the following details write Stores Ledger under simple average method:-

December 1	Opening Balance	100 kgs.	@ ₹5.00
5	Received	50 kgs.	@ ₹5.20
8	Issued	120 kgs.	
10	Issued	10 kgs.	
15	Received	80 kgs.	@ ₹ 5.40
18	Issued	50 kgs.	
20	Received	100 kgs.	@ ₹5.60
25	Issued	40 kgs.	
29	Issued	60 kgs.	

The stock verifier found a shortage of 10 kgs. on 16.12.14 and another shortage of 10 kgs. on 26.12.14. [1983]

[Ans. Value of closing stock ₹158; Issue price on 8.12.14 ₹5.10 p.u; on 16.12.14 ₹5.30 p.u; on 25.12.14 ₹5.50 p.u; on 29.12.14 ₹5.60 p.u]

21. The following transactions took place in respect of raw material during the month of January, 2015 :

Date	Particulars (Kg.)	Kg.	Rate per Kg. (₹)
January	1 Balance	1,000	9
	2 Purchased	1,500	10
	5 Issued	390	—
	8 Shortage	10	—
	15 Surplus returned by a Production department	200	12
	20 Issued	1,000	—
	25 Received from vendor	300	14
	28 Issued	1,200	—
	31 Issued	100	—

You are required to write up the Stores Ledger Account applying the Simple Average Method of Pricing issues.

[1993]

[Ans. : Closing Stock — 300 kg. ₹767]

22. The following are the details supplied by J. K. Corporation in respect of its raw materials for the month of December, 2014 :

Date	Receipts (Units)	Price per unit ₹	Issues (Units)
1.12.14	2,000 (opening)	5.00	
17.2.14	1,000	6.00	
10.12.14			2,500
15.12.14	2,000	6.50	
31.12.14			2,200

On 31.12.2014 a shortage of 100 units was found. Find the values of issues and resulting stocks on different dates using (i) LIFO (ii) FIFO (iii) Simple Average methods.

[1989]

[Ans.: LIFO Method - cl. stock - 200 units @ ₹5 per unit; FIFO Method - Cl. Stock - 200 units @ ₹6.50 per unit; Simple Average Method - 200 units of ₹875]

23. The following are the details supplied by AB. Ltd. in respect of its raw materials for the month of November 2014 :

Date	Receipts Units	Amount ₹	Issues Units
1.11.14	1,000 (opening)	6,000	
10.11.14	500	3,500	
15.11.14			1,200
20.11.14	1,000	8,000	
30.11.14			1,100

On 30th November, a shortage of 50 units was found. Find the values of issues and resulting stocks on different dates using (a) LIFO (b) Simple Average and (c) Weighted Average.

[1991]

[Ans.: Under LIFO - Closing Stock - 150 units @ ₹6 per unit; Simple average method - Closing Stock - 150 units ₹1,050; Weighted average method - 150 units ₹1,142]

24. Record the following transactions in a specimen stores ledger using :

		Units	Price
March	1 Balance in hand		₹
	2 Purchased	3,000	2
		2,000	2.20

3 Issued	1,500	?
5 Purchased	2,000	2.30
10 Issued	1,500	?
15 Issued	2,000	?
20 Purchased	2,000	2.40
31 Issued	1,500	?

In the above situation, what are the effects of each method?

[2003]

[Ans. (a) Closing Stock : 5,700; (b) Closing Stock : 5,200]

25. From the following information prepare Stores Ledger for the month of February 2015 under (i) LIFO and (ii) Weighted Average Method.

Date	Receipts	Units	Rate per unit (₹)	Date	Issue	Units
Feb. 3	Purchased	450	16.20	Feb. 4		350
7	Purchased	780	17.50	6		220
13	Purchased	340	16.80	9		670
18	Returned from Workshop (issued on Feb. 6)	65		16		325
24	Purchased	670	₹ 16.50	21		270
				25		430

Further information :

Opening balance on 1.2.2015 — 620 units @ 15.40 per unit. A shortage of 24 units was noticed and recorded on 15th February.

[2005]

[Ans. : (i) Value of Stock under LIFO basis ₹ 10058.40 (396 units valued ₹ 6098.40 and 240 units valued ₹ 3,960)

Value of stock Under Weighted Average Method 636 units ₹ 10,542.

Value of Issues under LIFO Method : ₹ 5,670; ₹ 3,468; ₹ 11,725; ₹ 5466.30; ₹ 4,422.10; ₹ 7,095.

Value of Issues under Weighted Average Method : ₹ 5,508; ₹ 3,462; ₹ 11,263; ₹ 5,463; ₹ 4,510; ₹ 7,127.

Value of Shortage LIFO : ₹ 403.20; Weighted Average Method Method ₹ 403.]

26. Calculate price of the issues under three different methods from the following information related to raw material - 'X' :

01.01.15 - Balance -	100 units @ ₹ 1.00 p.u. (Base stock) & 500 units @ ₹ 6.00 p.u.
03.01.15 - Receipt -	1000 units @ ₹ 5.00 p.u.
04.01.15 - Issue -	800 units
10.01.15 - Receipt -	1000 units @ ₹ 7.00 p.u.
11.01.15 - Issue -	900 units

[Ans. Value of Issues : FIFO ₹ 4,500; ₹ 4,900; LIFO : ₹ 4,000, ₹, 6,300 Simple Average : ₹ 4,400, ₹ 5,400; Weighted Average ₹ 4,264, ₹ 5679]

[2008]