

**Problem 2.9**

Show the stores ledger entries as they would appear when using : (a) Weighted average method, (b) LIFO method of pricing issues in connection with the following transactions :

<i>April</i>	<i>Units</i>	<i>Value ₹</i>
1 Balance b/f	300	600
2 Purchased	200	440
4 Issued	150	—
6 Purchased	200	460
11 Issued	150	—
19 Issued	200	—
22 Purchased	200	—
27 Issued	250	480

In a period of rising prices such as above, what are the effects of each method ?

**Solution :**

(B.Com., Osmania, Bangalore)

**Weighted Average Price**

### Problem 2.10

... at the older prices and is thus undervalued.

The following transactions took place in respect of a material item :

1 July	Opening Stock	500 units @ ₹ 20 each
4 July	Purchased GRN 574	400 units @ ₹ 21 each
6 July	Issued SR 251	600 units
8 July	Purchased GRN 578	800 units @ ₹ 24 each
9 July	Issued SR 258	500
13 July	Issued SR 262	300
24 July	Purchased GRN 584	500 units @ ₹ 25 each
28 July	Issued SR 269	400 units

Prepare Stores Ledger Account by using (i) FIFO, (ii) LIFO; (iii) Weighted Average Methods.