

In valuing the stock on 31.3.2007, due to damage 50% of the value of the stock which originally cost Rs. 22,000, was written off.

In June, 2007 about 50% of this stock was sold for Rs. 5,500 and the balance of obsolete stock is expected to realise the same price (i.e. 50% of the original cost).

The gross profit ratio is to be assumed as uniform in respect of other sales. Stock salvaged from fire amounts to Rs. 11,500.

Compute the value of stock lost in fire.

(b) From the following prepare General Ledger Adjustment account in Debtors Ledger and Debtors Ledger adjustment in General Ledger :

Balance as on 1.4.2008

Debit balances in Debtors Ledger 2,46,200
Credit balances in Debtors Ledger 3,400
Transactions during the month of April, 2008

Credit sales 9,74,900

Sales return 21,700

Cash received from debtors 8,62,100

Discount allowed to debtors 39,200

Bills receivable received from debtors 51,200

Bills receivable dishonoured 3,500

Bills payable given to suppliers 27,000

Credit balance in Debtors ledger on 30.4.2008 5,200