

Name: Olatunwo Al-Ameen

Dept: Accounting

Course: ACC 206

Matric. No: 18/SMSO2/043

### Question 3

- a. Freight charge can be defined as the amount paid to a carrier for the transportation of goods to an agreed location. It is a term majorly associated with voyage. It is also known as freight rate. Freight charges are usually calculated based on the type of mode of transportation and the distance between the point of pickup and the final destination.
- b. Passage money is the fare of passengers by sea. It can be defined as the sum of money paid for the transportation of people in a ship or vessel. It is similar to freight charges but the main distinguishing factor is that it deals with people while freight charges deal with goods.
- c. Avimage is referred to as a small percentage added to the freight charge and paid to the owner of a ship or the captain of the ship as extra compensation. It is also known as hat money.
- d. Stevedores are individuals who are employed and stationed at docks whose main duty is to load and unload goods onto ships. The payment for their service is called stevedoring charges.
- e. Bunker cost can be defined as the cost of ship essentials like coal, diesel, fuel and so on and it is usually debited from the voyage account.

# Question 3b

## Client's ledger (Reef)

2b. Date	Particular	Office	Client	Date	Particular	Office	Client	2.
10/6	Cash advance	170000		20/6	Cash		900000	
15/6	Cash advance	110000		20/6	Cash	280000		
20/6	Cash		280000	25/6	Cash	55000		
25/6	Cash		520000					
25/6	Cash		<del>550000</del>					
June 31	Cash (BR)		45000					
June 31	Private ledgers	55000						
		235000	900000			335000	900000	

## Cash Book

Date	Particular	Office	Client	Date	Particular	Office	Client
20/6	Cash		900000	10/6	Cash advance	170000	
20/6	Cash	280000		15/6	Cash advance	110000	
25/6	Cash	55000		20/6	Cash		280000
				25/6	Cash		520000
				25/6	Cash		55000
				31/6	Cash (BR)		45000
				31/6	Private ledger	55000	
		235000	900000			335000	900000

Question 2

2019

2. Jan 1 1200 Day old chicks @ ₦180 each	234000
Jan 1 800 2 year olds @ ₦3480 each	2784000
Jan 1 500 6 month olds @ ₦1500 each	<u>750000</u>
	3768000

Dead chickens (120 @ ₦1750) (210000)

3558000

Change in fair value

~~3744000~~  
3253000

Dec 31 One year olds @ ₦1 (1240 @ ₦3000) 3720000

Dec 31 3 year olds (470 @ ₦2000) 940000

Dec 31 1 and a half year olds (470 @ ₦3300) 1551000

6211000

Statement of Profit or Loss and Other Comprehensive Income for the year ended 31st Dec, 2019

	₦	₦
<del>Sales: Farm produce</del>	<del>1500000</del>	6423340
<del>Opening inventory</del>	<del>3768000</del>	
<del>Add purchases: Feeds</del>	<del>2096570</del>	
<del>Less closing inventory</del>	<del>3596570</del>	
<del>Less closing inventory</del>	<del>1875000</del>	
<del>Cost of goods</del>	<del>1721570</del>	1721570
<del>Gross profit</del>	<del>1721570</del>	1721570
<del>Gross profit</del>		<u>4701170</u>

Sales ₦ 6423340

Opening inventory 1500000

Add purchases: Feeds 2096570

Insecticide 156000

3752570

Less closing stock 1875000

Cost of goods sold (1877570)

Gross profit 4545760

Change in fair value 3253000

Miscellaneous income		450960
		<u>4091720</u>
		8249130
Expenses		
Fuel and oil	168000	
Stapp cost	770000	
Marketing cost	105500	
Repairs	52500	
Insurance	77600	
Hire of tractors	100800	
Bad debt	175500	
Other operating exp.	292550	
Depreciation:		
Farm house	90000	
Machinery	157000	(1989650)
<del>Net profit</del>		<u>3007070</u>
Net profit		<u>6260080</u>

Olatinwo Al-Ameen

1818MS02/043

Accounting Dept

ACC206

Question 1 Perk Unit Trust

Statement of Valuation

Month	Description	₦
1	Value / Unit	6000
2	8500 First Bank Shares @ ₦27.5	233750
	Month 1 Balance	81750
		265500
	Value / Unit (265500 / 40)	6628
3	8500 First Bank Shares @ ₦25	212500
	16500 BUA shares @ 13.50	222750
	Month 2 Balance	18020
	Value / Unit	453270
	Value / Unit (453270 / 40)	11332
4	8500 First Bank Shares @ 26	221000
	16500 BUA shares @ ₦14	231000
	58000 Conoil shares @ ₦3.70	214600
	Month 3 Balance	14296
	Val	780896
	Value / Unit (780896 / 108)	7213

	Bank	₦		₦	
Month 1	Unit Capital	240000	Month 1	Investment	280250
" 2	Unit Capital	266620	" 2	Investment	247500
" 3	Unit Capital	407952	" 3	Investment	203000
" 4	Unit Capital	205316	" 4	Investment	90666
" 4	Investment income	19000	Bal c/d		871382
		<u>1192785</u>			<u>1192785</u>

		Investment a/c	
Month 1	Bank	280250	Bal c/d
Month 2	Bank	247500	
Month 3	Bank	203000	
		<u>730750</u>	<u>730750</u>

		Unit Capital	
Month 4	Bank	90656	Month 1
	Bal c/d	1083132	" 2
			" 3
			" 4
		<u>1173788</u>	<u>1173788</u>

		Investment Income	
Month 4	Por L	19000	Month 4
			Bank
			<u>19000</u>

Question 4

Working note

a. Value of cheque deposited = % underwritten × No of shares issued × Application money  
 $= 26\% \times 60000000 \times 0.38 = \text{₹} 1960800$

			₹
b.	No of shares to be taken up by the underwriter		
	No of shares issued		3000000
	" " " allotted		(2650000)
	" " " unsubscribed		<u>350000</u>
			<u>301000</u>

c.	Balance due on allotment		₹
	Total amount due		355180

d. Commission

Cash:  $7\% \times 26\% \times \text{₹} 60000000 = \text{₹} 361200$

Shares:  $3\% \times 26\% \times \text{₹} 60000000 = \text{₹} 154800$

e. Amount paid on 1st Call  
201000 shares @ 0.6 = ~~A~~ 180600

f. Amount paid on final call  
201000 shares @ 0.24 = ~~A~~ 72240

g. Profit on sales of shares	#	#
Sales proceeds (250000 shares @ 0.95)		207500
Cost of shares:		