

NAME: O MOTOSO OLUWAFUNKE OLUWAFUNMILAYO

MATRIC NO: 18/SMS02/045

- 3a) Freight charges - These are charges that the main income are collected against the transportation of goods.
- ii) Passage money - Passage money is collected from the passengers, in case it is passengers' vessel.
- iii) Primage - Primage is an additional freight in the form of surcharge on the freight.
- iv) Stevedors - Loading and unloading of cargo called stevedoring charges and should be debited from the voyage account.
- v) Bunker cost - Cost of water, coal, diesel, fuel, etc. Used for the purpose of voyage is called bunker cost and may be debited from the voyage account.

b) Dr

clients ledger (beef)				Cr			
Date	Particular	Office	Client	Date	Particulars	Office	Client
							900,000
10/06	Cash advance	170,000		20/06	Cash	-	
15/06	Cash advance	110,000		20/06	Cash	280,000	
20/06	Cash	-	280,000	25/06	Cash	55,000	
25/06	Cash	-	520,000				
5/06	Cash	-	55,000				
11/06	Cash (BR)		45,000				
11/06	Private ledger	55,000	-				
		335,000	900,000			335,000	900,000

35/12 Cash book

Date	Particular	office	client	Date	Particulars	office	client
20/06	Cash	-	900,000	10/06	Beef adv.	170,000	-
20/06	Cash	280,000		15/06	Beef adv.	110,000	-
25/06	Cash	55,000		20/06	Beef		280,000
				25/06	Beef		520,000
				25/06	Beef		55,000
				31/06	Beef (br)		45,000
				31/06	Bal'd	55,000	
		335,000	900,000			335,000	900,000

Private Ledger

Date	Particular	Amount	Date	Particular	Amount
June 31	P or L	55,000	June 31	Beef	25,000

(b) Managers  
Trustees  
Unit Holders

i) Manager - Is an individual employed by the trustee to manage the funds of the unit trust. He will usually be someone with experience in investment in various kinds of securities for example an investment banker, stock trader, finance expert. His main responsibility is to seek out the best investment opportunities that will yield the best returns for funds asked to manage.

ii) Trustees - Is an individual appointed by the unit holders to oversee the unit trust. He has oversight responsibility over the activities and decisions of the manager. The trustees are equivalent of the board of directors in a typical firm. There could be more than one trustee in such a case they would work hand in hand.

iii) Unit holders - They are the owners of unit trust. They contribute funds by paying subscriptions from time to time based on laid down agreements. The units controlled by a holder signify how much of the unit trust they control. Therefore a unit holder and the units owned are equivalent of shareholders and shares in a typical company.

ABU ADI, T/MS

2) Statement of reconciliation showing the changes in fair value during the year 2019

	#	#
2019		
Jan 1 1300 day old chicks @ 200 each	260,000	
800 2 year old chickens @ 348 each	2,800,000	
July 1 500 6 months old chickens @ 1500	<u>750,000</u>	3,768,000
Dead chickens during the year (120 x 1750)		<u>(210,000)</u>
Changes in fair values		3,558,000
31st December 1 year old chickens (1300 - 60 = 1240 x 300)		3,720,000
" " 1 1/2 year old chicken (500 - 30 = 470 x 3300)		1,551,000
" " 3 year old chickens (800 - 30 = 770 x 2,000)		<u>1,540,000</u>
		6,811,000

Flocks of chicken

1/1/19	bal b/f	3,768,000		
1/1/19	cash	750,000	31/12/19	loss of chickens
31/12/19	P/L	<u>3,256,000</u>	31/12/19	bal c/d
		<u>6,811,000</u>		6,601,000
1/1/20	bal b/f	6,601,000		<u>6,811,000</u>

2b) Statement of Profit / Loss for the year ended 31/12/19

	₹	₹	₹
Sales: farm produce			6,423,340
Opening inventory		1,500,000	
Purchases: Feeds	2,096,570		
Insecticides	156,000		
Cost of goods available for sale	<u>2,252,570</u>	<u>2,252,570</u>	
Closing inventory		<u>3,752,570</u>	
Gross profit		<u><del>1,702,770</del></u>	1,871,570
Less: Miscellaneous income		<u>(1,875,000)</u>	<u>(795,770)</u>
Changes in fair value			4,545,770
Expenses			<u>56,2570</u>
Depreciation: Farm house	90,000		
Farm machinery	157,000		
Staff cost	770,000		
Marketing cost	105,500		
Fuel and oil for machine	168,000		
Repairs	52,500		
Insurance	77,600		
Hire of tractors	100,800		
Bad debt	115,500		
Other operating expenses	<u>292,750</u>		
Net Profit			<u>3,706,960</u>
			<u>8,252,130</u>
			<u><del>10,188,10</del></u>
			<u>6,263,580</u>
			<u><del>7,059,520</del></u>

4b) Comparison  
Underwriting Commission is payable to the underwriter and it may be paid partly in shares and partly in cash while Overriding Commission is payable to the underwriter in addition to the underwriting commission.

5) Contrast  
They are both payable to the underwriter.

6) Contrast  
Firm application is not based on percentage underwritten while shares taken up due under subscription is based on percentage underwritten.

The no of shares to be allotted on firm application is fixed per the underwriting contract while for shares taken up due to under subscription no of shares by the underwriter depends on the no of shares not taken up by public.