

NAME - Eneh Nwachimere Stephanie.

MATRIC NO - 18/Sms 02/021

COURSE - ACC 206

TEST

Solution

(NO 1)

State ment of Valuation.

month	Description	#
1	value / unit	6,000
2	8,500 first bank shares @ #27.60	233,750
	month 1 balance	31,750
		265,500
	value / unit (265,500 / 40)	6,638
3	8,500 first bank shares @ #25	212,500
	16,500 BUA shares @ 13.50	222,750
	month 2 balance	18,020
		453,270
	value / unit (453,270 / 40)	11,332
4	8,500 first bank shares @ #26	221,000
	16,500 BUA shares @ #14	231,000
	68,000 Conoil shares @ #3.70	214,600
	month 3 balance	114,296
		780,896
	value / unit (780,896 / 108) = 7231	7231

3 meeting x 4 resigned people = 12

$$120 - 12 = 108$$

Statement of financial position

units	months	Description	₹
40	1	Subscription: 40 units @ 6,000	240,000
		purchases: 8,500 fresh bank shares @ 24.50	(208,250)
		Cash balance:	31,750
40	2	Subscription: 40 units @ 6637.5	265,500
		purchases: 16,500 BVA shares @ 15	(247,500)
		Cash balance	49,750
36	3	Subscription: 36 units @ 6062.5	218,250
		purchases: 58,000 com. shares @ 3.50	(203,000)
		returned 8 units @ 6062.5	(48,500)
		Cash balance	16,500
36	4	Subscription: 36 units @ 6325	227,700
		Dividends	19,000
		Cash balance	263,200

Bank A/c

month 1 unit output	240,000	month 1 Investment	108,250
month 2 unit output	265,500	month 2 Investment	247,500
month 3 unit output	218,250	Month 3 Investment	203,000
month 4 unit output	227,700	Month 4 unit capital	48,500
month 4 Invest Income	19,000		

NAME: Eneh Nmachimere

MATRIC NO: 1815MS02 021

(NO 2)

ABUAD FARMS

Statement of Reconciliation to show changes in fair value as at  
31st December 2019.

1st Jan 2019

₦

Day old chicks  $1300 \times ₦180$  234,000

2 year old chickens  $800 \times ₦3480$  2,784,000

Purchases  
6 months old chickens  $600 \times ₦1,500$  750,000

3,768,000

Dead chickens during the year  $(120 \times ₦1760)$  (210,000)

3,558,000

changes in fair value 3,253,000

31st Dec 2019

one year chickens  $(1240 \times 3000)$  3,720,000

one and a half year old chickens  $(470 \times 3300)$  1,551,000

Three year old chickens  $(770 \times 2000)$  1,540,000

6,811,000

Statement of profit <sup>or</sup> ~~and~~ loss and other Comprehensive Income.

	₹	₹
Sales: Farm produce (eggs)		6,423,340
Opening Inventory	1,500,000	
Purchases: Feeds	2,096,570	
Insecticides	156,000	
COGAS	3,752,570	
Closing Inventory	(1,875,000)	(1,877,570)
Gross profit		4,645,770
Miscellaneous Income		459,960
Changes in fair value.		3,253,000
		8,249,730

Expenses

Depreciation:

farm house	90,000	
farm machinery	157,000	
Staff cost	770,000	
Fuel and oil for machines	168,000	
Marketing Cost	105,000	
Repairs	52,000	
Insurance	77,600	
Hire of tractors	100,800	
Bank debts	175,500	
Other operating expenses.	292,750	(1,989,650)
Net profit for the year.		6,260,080

(3A)

3) Freight charges? This is defined as the main income collected against the transportation of the goods.

ii Passage Money? passage money is what 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. It is made to the captain of the ship for his special care of the goods.

iv ~~Stevedoring charges? loading and unloading the cargo~~  
14 ~~Stevedoring~~ Stevedoring charges? and It is referred to as a docker or a dock worker he is a ~~worker~~ water front manual labourer who is involved in loading and unloading ships  
x trains or airplanes

v Bunker cost? Cost of water coal, diesel, fuel, etc used for the purpose of the voyage is called bunker cost and may be debited from the voyage account.

(3B)

CLIENTS LEDGER [BEEF]

Date	Particulars	Office	clients	Date	Particulars	Office	clients
10-June	Cash	170,000	-	20-June	Cash	-	900,000
15-June	Cash	110,000	-	20-June	Cash	280,000	-
20-June	Cash	-	280,000	25-June	Cash	55,000	-
25-June	Cash	-	520,000				
31-June	Cash (bal-remitted)		45,000				
31-June	Private ledger	55,000					
		225,000	900,000			335,000	900,000

PRIVATE LEDGER

Jun 31st	P/L	55,000	Jun 31	Beef	55,000
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CASH BOOK

Date	particulars	Office	client	Date	particulars	Office	Client
20-Jun	Beef	-	900,000	10-Jun	Beef advance	170,000	-
20-Jun	Beef	280,000	-	15-Jun	Beef advance	110,000	-
20-Jun	Beef	55,000	-	20-Jun	Beef	-	280,000
				25-Jun	Beef	-	520,000
				Jun-31	Beef	-	4
				Jun-31	Beef (bal- remitted)	-	45,000
				Jun-31	Bal b/f	- 55,000	
		<u>335,000</u>	<u>900,000</u>			<u>335,000</u>	<u>900,000</u>

(No 4)

Value of cheque deposited = % Underwriter x No of share  
issued x Application money.

$$= 86\% \times 6,000,000 \times 0.38 = 1,969,800$$

= No of shares to be taken up by the Underwriter

No of shares issued	3,000,000
No of shares allocated	(2,650,000)
No of shares unsubscribed	<u>350,000</u>
Shares to be taken up (86% x 350,000)	<u>301,000</u>

Balance due on allotment #

Total amount due 355,180

$$(0.38 + 0.8) \times 301,000$$

Commission.

$$\text{Cash} = 7\% \times 86\% \times 6,000,000 = \text{#} 361,200$$

$$\text{Shares} = 3\% \times 86\% \times 6,000,000 = \text{#} 154,000$$

Amount paid on 1<sup>st</sup> call:

$$301,000 \text{ shares @ } 0.6 = \text{#} 180,600$$

Amount paid on final call:

$$301,000 \text{ shares @ } 0.24 = \text{#} 72,240$$

Profit on sales of shares	#	#
Sales proceeds (250,000 shares @ 0.95)		237,500
Cost of shares		