

* Voyage Accounting (Shipping Business).

15-12-2022 - - - - - | - - - - - 15-01-2023

31 Dec 2022

Voyage in Progress
(Incomplete Voyage).

- 1) Incomes → (i) Freight
(ii) Bunkerage (to take care / security)
It is to be calculated on freight.
(iii) Passage Money

- 2) Expenses → (i) Commission / Address Commission
(Calculated on Freight + Bunkerage).

(ii) Insurance

Ship insurance

Freight Insurance

(iii) Stores → opening stock + Purchases - Closing stock

(iv) Depreciation ^{on ship} (always to be calculated proportionately).

(v) Bunker Cost

(vi) Port charges

(vii) Stevedoring charges (loading & unloading of goods)

Ques 1 June 2020 Mumbai — London

London — Mumbai (2 months)

Voyage completed 31 July 2020

Ins - 24000 pa

Voyage A/c.

Particulars	₹	Particulars	₹
TO ship Ins (24000 × $\frac{2}{12}$)	4000	By Passage Money	10,000
TO Port dues	5000	By Freight (Outward)	100,000
TO Sal & wages	50,000	Add: Primage 5000	105,000
TO Mis exp	11,600	By Freight (Inward)	70,000
TO Bunker Cost	30,000	Add: Primages 3500	73,500
TO Stores 16,800			
less: Closing 3000	13,800		
TO Dep. (96000 × $\frac{2}{12}$)	16,000		
TO Light wage charges	5000		
Total Com	52,500		
Outward	24,400		
Inward			

TO Managers Commission	2139	
TO Net profit	42771	
	188500	188500.

* Voyage in progress adjustment

Time Ratio

(A) Silent

↓	↓	↓
2 Routes	3 Routes.	Freight Ratio
A-B 100	A → B 100	→ Freight of incomplete Voyage divided
B+A 50	B → A 100	Total Freight.
150	A → B 50	$= \frac{100,000}{300,000} = \frac{1}{3}$
$\frac{50}{150} = \frac{1}{3}$	$\frac{250}{250} = \frac{50}{250} = \frac{1}{5}$	

(B) Exp for entire voyage is given.

↓	↓
2 Routes	3 Routes
A-B 100	A-B 100
B-A 100	B-A 100
200	A-B 100
$\frac{100}{200} = \frac{1}{2}$	300
	$\frac{100}{300} = \frac{1}{3}$

Incomplete voyage Freight 30000

Due Mumbai to Kolkata.

Voyage Account		Particulars	₹
Particulars	₹		
Coal consumed	14000	Freight	80000
Stores consumed	6000	Add: Primage ^{10%}	8000
Post charges	3000	Less for incomplete voyage	(24500 + 1500 + 1650)
Salaries	8000		
Depreciation	8000		
Ins of ship	10000		
Ins of Freight	4000		
Add Commission 5% (88000 X 5%)	4400		
NP Add Income	33000		
	25250		27650

Working Notes → ① Time Ratio = $\frac{1}{2}$

② Freight Ratio = $\frac{F \text{ of Inc Voyage}}{F \text{ of Comp voyage}} = \frac{30000}{80000} = \frac{3}{8}$

③ Time Based expenses

Coal consumed	14000
Stores	6000
Post charges	3000
Salaries	8000
Dep	8000
Ins of ship	10000
	<u>49000</u>
	$49000 \times \frac{1}{2} = 24500$

④ Freight based exp → Ins of Freight = $4000 \times \frac{3}{8} = 1500$

③ Other expenses
Address Commission = $33000 \times 5\% = 1650$

($30000 + 10\% \text{ of } 30000$)

Ques. Details of Voyage (Incomplete)

Freight - 400,000 (Inc.)

Coal consumed - 70,000

Stores consumed - 30,000

Port charges - 15,000

Salaries - 40,000

Depreciation - 40,000

Insurance of ship - 20,000

Insurance of Freight - 8,000

Address Commission - 5%

Freight - 10%

150,000 freight was available on returns

Voyage Account

Particulars	₹	Particulars	₹
Coal consumed	70000	Freight - 400,000	
Stores consumed	30000	Add: Freight - 40000	440,000
Port charges	15000	Less: of Incomplete	
Salaries	40000	Voyage	
Depreciation	40000	($107500 + 30000 +$	118750
Ins of ship	20000	48750 8250	
Ins of Freight	8000		
Add Commission ($440,000 \times 5\%$)	22000		
Add Income (we have to give exp)	165000		
	<u>148750</u>		

Working Ratio → ① Time Ratio = $\frac{1}{2}$

② Freight Ratio → $\frac{F \text{ of Inc Voyage}}{F \text{ of Comp Voyage}} = \frac{150,000}{400,000} = \frac{3}{8}$

③ Time Based expenses →

Coal consumed -	70000
Stores -	30000
Ports -	15000
Salaries -	40000
Dep	40000
Ins of ship -	20000

$215000 \times \frac{1}{2} = 107500$

④ Freight Based exp = $8000 \times \frac{3}{8} = 3000$

⑤ Other expenses

Address Commission = ~~$150,000 \times \frac{5}{100} = 7500$~~

~~$(150,000 \times 10 + 150,000)$~~
 $150000 + 15000 = 165000$
 $165000 \times \frac{5}{100} = 8250$

(Incomplete +
Bumage)