

Quadrant II - Notes

Paper Code: COG117

Module Name: Incomplete Voyage Preparation of Statement.

Module No: 07

Voyage in Progress (Incomplete Voyage) -Voyage Accounting is done in case of Shipping Companies. To know the results of the marine business voyage accounts are prepared. It is prepared to know the profit or losses on each voyage or shipment undertaken by the shipping company. Sometimes the accounting year of shipping company has come to an end, but the voyage is still in progress. That voyage is termed as Incomplete Voyage. Accounting for Incomplete Voyage is done on the basis of matching concept. It means expenses of current year are compared with the incomes of current year. So, the amount related to incomplete voyage must be carried forward to the next year. At the time of closing books of accounts at the end of the year. It is possible that voyage may not be complete and it may still be in progress. In such a case, special treatment is required for the following items.

- 1) Freight received on incomplete journey.
- 2) Expenses related to incomplete journey.