

Entries in a Mutual Fund

Jun-21 They sold 100 units and raised 10 cr Rupees  
 Bank A/c Dr 10  
 To unit Capital 10  
 (Being capital received)

Jun-21 Investments in shares A/c Dr 2  
 TO Bank 2  
 (Being investment made in ~~share~~ share)

Jun-21 Investment A/c Dr 8  
 TO Bank 8  
 (Being investments made)

Jun-21 Investments A/c Dr 1  
 TO unrealized gain/loss on investments 1  
 (Being investments market value appreciation recorded)

Jun-21 Investor exiting the fund, 100 units, NAV is 11,  
 Exit load is 1%.

NAV	11
Exit load 1%	0.11
net amount paid	10.89
No. of units	100
exit load income	11
Capital amount to reduce	1100

Unit Capital A/c Dr 1100  
 TO Bank A/c 1089  
 TO Exit load income A/c 11  
 (Being an investor exit transactions recorded)



Jul-21 Management fee payable to the fund  
house now recorded

management fee exp A/c	Dr	0.1
TO management fee payable A/c		0.1

Jul-21 All other expenses are recorded

Audit fee exp A/c	Dr	0.1
custodian fee A/c	Dr	0.2
Registrar agent fee A/c	Dr	0.1
fund admin exp A/c	Dr	0.1
TO Audit fee payable A/c		0.1
TO custodian fee payable A/c		0.2
TO Registrar agent fee payable A/c		0.1
TO fund admin exp payable A/c		0.1

(Being exp payable in the fund recorded)

July-21 legal exp A/c Dr

TO Bank A/c	
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(Being legal exp paid to draft fund  
related documents)

July-21 Cost of Reliance shares 2  
unrealised gain reported 0.2  
Reported value in books 2.2  
they sold for 2.4

Bank A/c	Dr	2.4
TO investment A/c		2.2
TO realised gain/loss A/c		0.2

(Being asset sold for profit)

unrealised gain/loss A/c	Dr	0.2
TO realised gain/loss A/c		0.2

Being (since asset is sold, unrealised gain  
moved to realised gain)



Jul-21 Management fee payable A/c Dr 0.1  
TO Bank 0.1  
(Being mgt fee paid)

Jul-21 Audit fee payable recorded was 10 lacs  
now we are paying 10 lacs to auditor,  
30 lacs paid in advance  
- Audit fee payable A/c Dr 0.1  
Pre paid audit fee A/c Dr 0.3  
TO Bank A/c 0.4  
(Being audit fee paid in advance)

Aug-21 prepaid audit fee to be reversed since already paid  
Audit fee exp A/c Dr 0.1  
TO prepaid audit fee A/c 0.1  
(Being audit fee paid)

Aug-21 portfolio co (infosys) declared dividend  
Dividend receivable A/c Dr 0.2  
TO Dividend 0.2  
(Being Dividend accrued)

Sep-21 Div Received today  
Bank A/c Dr 0.2  
TO Div receivable A/c 0.2  
(Being Div received)

Calculate NAV of JM Financials large cap fund based on the below information

Fund launch date	Jan-13
No. of units	100
Unit Capital	5000
NAV per unit	50



Investments in	Today's mV
Reliance	500
Infosys	800
HDFC	200
WIPRO	300
Other investments	700

- Investments in reliance appreciated by 2%
- HDFC shares depreciated by 1%
- No other changes in other investments for today
- Div declared by Infosys for Rs. 50 crores
- Subscriptions - 11 units settled at Rs. 50 per unit
- Redemptions - 50k units settled at Rs 50/unit, Exit load 1%
- New shares purchased in happiest mind for 5 lac rupees
- Cash at the beginning of the day Rs. 2Cr
- Mgt fee, other accruals to be made for 50 lac
- Payables balance at the begining of the day is 2Cr

Solution :-

### NET -ASSETS VALUE

NAV

### Balance sheet of axis bluechip fund

Investments	5508.05
Cash	2.2025
Dividend receivable	5
Int Receivable	0
Total assets	5515.2525
Management fee payable	0
Accrued Expenses	2.5
Total Liabilities	2.5
NAV	5512.7525
No. of units	100.05
NAV per unit	55.12476876



yesterday NAV  
change

55

0.124708762

= 0.23 %

workings

Cash

opening balance	2	
Subscriptions	0.5	$\Rightarrow 1L \times 50$
Redemptions	(0.2475)	$\Rightarrow 50k \times 49.5$
investments <sup>in</sup> cash	(0.05)	
	2.2025	

Redemptions

units	50,000	
NAV	50	
exit load (1%)	0.5	$\Rightarrow 50 \times 1\%$
amount to be paid/unit	49.5	$\Rightarrow 50 - 0.5$
total amount to pay	24,75,000	
Capital to reduce	25,00,000	$\Rightarrow 50,000 \times 50$
exit load income	25,000	

change in units

beginning	100	
subscriptions	0.01	
redemptions	(0.005)	
	100.005	

Today's market value of investments

		change	total
reliance	500	10	510
intops	800	0	800
HDFC	200	-2	198
wipro	300	0	300
other	3700	0	3700

heppit minds

0.05

0.05  $\Rightarrow$

5508.05

8.05

classmate

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