



INDIAN SCHOOL DARSAIT DEPARTMENT OF COMMERCE



Subject : Accountancy	Topic : Company Accounts Issue and forfeiture of shares	Date of Issue: __/__/2017 Worksheet No.17
Resource Person: Alexander Gee Varghese		Date of Submission: __/__/2017
Name of the Student : _____	Class & Division : XII__	Roll Number : __

JOURNAL ENTRIES

Date	Particulars	LF	Debit (Rs)	Credit (Rs)
When Application money is received				
	Bank a/c Dr To Share Application a/c (Being application money received on __ shares @ Rs. __)		xxx	xxx
When application money is transferred to Share Capital a/c				
	Share Application a/c Dr To Share Capital a/c (Being application money transferred to Share Capital a/c.)		xxx	xxx
When Allotment money is due.				
	<u>Issued at Par</u> Share Allotment a/c Dr To Share Capital (Being share allotment money due on __ shares @ Rs. __)		xxx	xxx
	<u>Issued at Premium</u> Share Allotment a/c Dr To Share Capital To Securities Premium Reserve a/c (Being share allotment money due on __ shares @ Rs. __ including premium)		xxx	xxx xxx
4.	When Allotment money is received			
	Bank a/c Dr To Share Allotment a/c (Being allotment money received)		xxx	xxx
5.	When First Call money is due.			
	Share First Call a/c Dr To Share Capital (Being share First call money due on __ shares @ Rs. __)		xxx	xxx
6.	When First call money is received			
	Bank a/c Dr To Share First Call a/c (Being First call money received)		xxx	xxx
<p>Note: 1. For Second call also, journal entry is same as the First call journal entry. 2. Use Final Call along with the last call.</p>				

WHEN SHARE CAPITAL MONEY RECEIVED IN ONE LUMP SUM



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Q. 1. Rahul limited issued 10,000 Equity shares @ Rs.10 at Par payable full amount on application. Company received 12,000 shares applications. Directors allotted shares on Pro-rata basis. Pass Journal entries.

Q. 2. Nived limited issued 20,000 Equity shares @ Rs.10 at a Premium of Rs.2 payable full amount on application. Company received 30,000 shares applications. Directors allotted shares on Pro-rata basis. Pass Journal entries.

Q.3. Joel limited issued 1,00,000 Equity shares @ Rs.10 at a Premium of Rs.2 payable full amount on application. Company received 3,00,000 shares applications. Directors allotted shares on Pro-rata basis. Pass Journal entries.

Q.4. Jasmin limited issued 50,000 Equity shares @ Rs.10 at a Premium of .20% payable full amount on application. Company received 60,000 shares applications. Directors allotted shares on Pro-rata basis. Pass Journal entries.

WHEN SHARE CAPITAL MONEY RECEIVED IN INSTALMENTS

Q1 Melvin Ltd invited application for 10,000 shares @ Rs.10 at par payable as follows:-

On Application	Rs.2 per share
On Allotment	Rs.3 per share
On First Call	Rs.3 Per share
On Second & Final Call	Rs.2 Per share.

Company Received sufficient applications and all shares are allotted and money received. Pass Journal entries.

Q.2 Sujith Ltd invited application for 50,000 shares @ Rs.10 at a premium of 10% payable as :-

On Application	Rs.3 per share
On Allotment	Rs.6 per share
On First & Final Call	Rs.2 Per share

Company Received application for 45,000 shares. Directors allotted shares to all the applicants. All money received except the final call on 800 shares. Pass journal entries.

Q3. Anjitha Ltd invited application for 20,000 shares @ Rs.10 at a premium of Rs.2 payable as follows:-

On Application	Rs.3 per share
On Allotment	Rs.5 per share (including premium)
On First & Final Call	Rs.4 Per share

Company Received application for 30,000 shares. Directors rejected all excess applications and money refunded. Mr X, holder of 300 shares failed to pay first and final call money. Pass journal entries.

Q.4. Rose Ltd invited application for 20,000 shares @ Rs.10 at Par payable as follows:-

On Application	Rs.2 per share
On Allotment	Rs.5 per share
On First & Final Call	Rs.3 Per share

Company Received application for 30000 shares. Directors allotted shares on pro rata basis to all the applicants. All money received except the final call on 900 shares. Pass journal entries.

Q.5. Jomsey Ltd invited application for 40000 shares @ Rs.10 at a premium of 10% payable as follows:-

On Application	Rs.2 per share
On Allotment	Rs.5 per share (including premium)
On First & Final Call	Rs.4 Per share

Company Received application for 60000 shares. Directors rejected 12000 shares application and remaining accepted on pro rata basis. All money received except the final call on 300 shares. Pass journal entries.



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- .Q.6. Anagha Ltd invited application for 20000 shares @ Rs.10 at a premium of 20% payable as follows:-
- | | |
|--------------------------|------------------------------------|
| On Application | Rs.2 per share |
| On Allotment | Rs.5 per share (including premium) |
| On First Call | Rs.3 Per share |
| On Second and Final Call | Rs.2 per share |

Company Received application for 30000 shares. Directors allotted shares on pro rata basis to the applicants of 24000 shares and remaining applications were rejected. Mr. A, holder of 200 shares failed to pay the first call and final call money and Mr.B failed to pay final call money on 300 shares. Pass Journal entries.

- Q7. Aditi Ltd invited application for 4000 shares @ Rs.10 at a premium of 10% payable as follows:-
- | | |
|-----------------------|------------------------------------|
| On Application | Rs.2 per share |
| On Allotment | Rs.5 per share (including premium) |
| On First & Final Call | Rs.4 Per share |

Company Received application for 8,000 shares. Directors rejected 3200 shares application and remaining accepted on pro rata basis. All money received except the final call on 400 shares .Pass journal entries.

- . Q.8. Haritha Ltd invited application for 12,000 shares @ Rs.10 at a premium of 20% payable as follows:-
- | | |
|-------------------------|------------------------------------|
| On Application | Rs.3 per share |
| On Allotment | Rs.5 per share (including premium) |
| On First and Final Call | Rs.4 Per share |

Company Received application for 20,000 shares. Directors allotted shares on pro rata basis to the applicants of 15000 shares and remaining applications were rejected. Mr. X, holder of 800 shares failed to pay the final call. Pass Journal entries.

- Q.9. Anushri Ltd invited application for 10,000 shares @ Rs.100 at a Premium of Rs.5 payable as follows:-
- | | |
|-----------------------|-------------------------------------|
| On Application | Rs.20 per share |
| On Allotment | Rs.55 per share |
| On First & Final Call | Rs.30 Per share (Including Premium) |

Company Received application for 18,000 shares. Directors rejected 3,000shares application and remaining accepted on pro rata basis. Mr. X, holder of 120 shares failed to pay the first call money. Pass Journal entries

- Q.10 Bushra Ltd invited application for 1,00,000 shares @ Rs.100 at a Premium of Rs.10 payable as follows:-
- | | |
|-----------------------|-------------------------------------|
| On Application | Rs.40 per share (Including Premium) |
| On Allotment | Rs.30 per share |
| On First & Final Call | Rs.40 Per share |

Company Received application for 1,50,000 shares. Directors allotted shares on pro-rata basis to all applicants. Miss. Komal, holder 3,000 shares failed to pay the first call money. Pass Journal entries.

- Q.11. Subosh Ltd invited application for 4000 shares @ Rs.10 at a premium of 20% payable as follows:-
- | | |
|-----------------------|------------------------------------|
| On Application | Rs.5 per share (including premium) |
| On Allotment | Rs.4 per share |
| On First & Final call | Rs.3 per share |

Company Received application for 6000 shares. Directors rejected 1200 shares application and remaining accepted on pro rata basis. Mr. Lal, holder of 200 shares failed to pay the first and final call money. Pass Journal entries.

- Q.12 Syeda Ltd invited application for 10,000 shares @ Rs.10 at a premium of Rs.5 payable as follows:-
- | | |
|-----------------------|---|
| On Application | Rs.4 per share (including premium Re.1) |
| On Allotment | Rs.6 per share (including Premium Rs.2) |
| On First & Final call | Rs.5 per share (including Premium Rs.2) |



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Company Received application for 15,000 shares. Directors rejected 3,000 shares application and remaining accepted on pro rata basis. Mr. Jai, holder of 700 shares failed to pay the first and final call money. Pass Journal entries.

CALCULATION OF CALLS IN ARREAR

Q1. Mohisin Ltd invited application for 40000 shares @ Rs.10 at a premium of 10% payable as follows:-

On Application	Rs.2 per share
On Allotment	Rs.5 per share (including premium)
On First & Final Call	Rs.4 Per share

Company Received application for 60,000 shares. Directors rejected 12,000 shares application and remaining accepted on pro rata basis. All money received except the allotment money and final call on 400 shares .Pass journal entries.

. Q.2. Arvind Ltd invited application for 20,000 shares @ Rs.10 at a premium of 20% payable as follows:-

On Application	Rs.3 per share
On Allotment	Rs.5 per share (including premium)
On First and Final Call	Rs.4 Per share

Company Received application for 30,000 shares. Directors allotted shares on pro rata basis to the applicants of 24000 shares and remaining applications were rejected. Mr. Basu, holder of 300 shares failed to pay the allotment money and the final call. Pass Journal entries.

Q.3. Gladwin Ltd invited application for 10,000 shares @ Rs.100 at a premium of Rs.5 payable as follows:-

On Application	Rs.20 per share
On Allotment	Rs.55 per share
On First & Final Call	Rs.30 Per share

Company Received application for 15,000 shares. Directors rejected 3,000shares application and remaining accepted on pro rata basis. Mr. X, who applied for 120 shares failed to pay the allotment money and first call money. Pass Journal entries.

Q.4 Mohit Ltd invited application for 1,00,000 shares @ Rs.100 at a premium of Rs.10 payable as follows:-

On Application	Rs.20 per share
On Allotment	Rs.30 per share
On First & Final Call	Rs.60 Per share

Company Received application for 1,50,000 shares. Directors allotted shares on pro-rata basis to all applicants. Miss. Rupali, who applied for 3,000 shares failed to pay the allotment money and first call money. Pass Journal entries.

Q.5. Saneyar Ltd invited application for 50,000 shares @ Rs.10 at a premium of 30% Payable as follows:-

On Application	Rs.3 per share
On Allotment	Rs.6 per share (including premium)
On First & Final Call	Rs.4 Per share

Company Received application for 60,000 shares. Directors allotted shares on the following basis:-

(i) To applicants for 10,000 shares -----in full.

To applicants for 20,000 shares -----15,000 shares

To applicants for 30,000 shares -----25,000 shares. All excess application money is to be adjusted against amount due on allotment Mr. K, who applied for 100 shares out of the group applied for 20,000 shares failed to pay allotment money and call money. Mr.Y, applicant of 600 shares out of the group applied for 30,000 shares failed to pay the first and final call money. Pass Journal entries.

Q6 Devika Ltd invited application for 1,00,000 shares @ Rs.10 at a premium of Rs. 2/- payable as follows:-



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On Application	Rs.3 per share
On Allotment	Rs.5 per share (including premium)
On First & Final Call	Rs.4 Per share

Company Received application for 1,40,000 shares. Directors allotted shares on the following basis:-

- (i) To applicants for 10,000 shares ----- Nil
- (ii) To applicants for 20,000 shares ----- Full
- To applicants for 40,000 shares ----- 30,000 shares
- To applicants for 70,000 shares -----50,000 shares.

All excess application money is to be adjusted against amount due on allotment Mr. X, holder of 600 shares out of the group applied for 40,000 shares failed to pay allotment money and call money. Mr.Y, applicant of 1,400 shares, out of the group applied for 70,000 shares failed to pay the allotment money and call money. Pass Journal entries.

WHEN SHARES ARE ISSUED FOR CONSIDERATION OTHER THAN CASH

Q1. Mattoo Enterprises purchased Machinery worth Rs.99,000 from Kunal Ltd. The amount was paid by issue of Equity Shares of Rs.100 each. Pass Journal entries in the following cases:

- If Shares are issued at Par.
- If Shares are issued at a Premium of 10%

Q2. Laksha Ltd purchased Land and Building worth Rs.2,97,000 from Mark &Co. The amount was paid by issue of 12% Preference Shares of Rs.100 each. Pass Journal entries in the following cases:

- If Shares are issued at Par.
- If Shares are issued at a Premium of 10%

Q.3. Aradhya Ltd purchased Furniture for Rs.9,00,000 payable as to Rs.1,30,000 in cash and balance by an issue of Equity Shares of Rs.100 each at a premium of 10%.

Q.4. Ritik Ltd took over assets of Rs.10,00,000 and liabilities of Rs.2,40,000 of Sagar Ltd for the purchase consideration of Rs.8.80,000. Ritik Ltd paid the purchase consideration by issuing Shares of Rs.100 each at 10% premium. Give Journal entries.

Q.5. Rohit Ltd took over assets of Rs.3,00,000 and liabilities of Rs.65,000 of Akash Ltd for the purchase consideration of Rs.1,90,000. Rohit Ltd paid the purchase consideration by issuing Equity Shares of Rs.100 each at 25% premium. Give Journal entries.

Q.6. Christopher Ltd acquired the running business of Rahim Ltd taking over the following assets and liabilities for a purchase consideration of Rs.10,50,000.

Land and Building	Rs,7,00,000
Plant & Machinery	Rs.5,00,000
Stock in trade	Rs.2,00,000
Debtors	Rs.1,00,000
Current liabilities	Rs.3,00,000

The amount of purchase consideration was payable as to Rs.2,80,000 in cash and the balance by issue of 12% Preference Shares of Rs.100 each at a premium of 10%.

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