



INDIAN SCHOOL AL WADI AL KABIR

Class: XII Accountancy	Department: Commerce
Worksheet No: 1	Topic: Accounting for Share Capital

1. H Ltd. issued 5000 equity shares of Rs. 100 each. The amount payable on these shares was as under:

- Rs.10 per share on application
- Rs. 60 per share on allotment
- Rs. 30 per share on first and final call

All the shares were subscribed and money duly received.

Pass the journal entries in the books of H Ltd.

2. X Ltd. was registered with a capital of Rs. 25,00,000 in shares of Rs. 10 each. It issued a prospectus inviting applications for 23,000 shares at par. The amount was collected at lump sum. Applications were received for 23,000 shares; all money was duly received. Pass the necessary journal entries.

3. To provide employment to the youth and to develop the Naxal affected backward areas of Chattisgarh. X Ltd. decided to set-up a power plant. For raising funds, the company decided to issue 50,000 equity shares of ₹ 10 each at a premium of 50%. The whole amount was payable on application. Journalize.

4. A Ltd. issued to the public for subscription of 1000 shares of Rs. 10 each at a premium of 10% payable Rs. 4 on application Rs. 5 on allotment (including the premium) and Rs. 2 on first and final call. The issue was fully subscribed and all the money was duly received.

Pass the journal entries in the books of A Ltd.

5. Bliss Products Ltd. registered with capital of ₹ 90,00,000 divided into 90,000 equity shares of ₹ 100 each. The company issued prospectus inviting applications for 50,000 equity shares of ₹ 100 each payable as ₹ 20 on application, ₹ 30 on allotment, ₹ 20 on first call and balance on second call. Applications were received for ₹ 48,000 shares. All calls were made, Raman to whom 1600 shares were allotted failed to pay first call and final call and another shareholder Raju failed to pay the second call. Pass the necessary journal entries in the books of Bliss Ltd.

6. Janta Ltd. had an authorized capital of ₹ 2,00,000 divided into equity shares of ₹ 10 each. The company offered for subscription of ₹ 10,000 shares. The issue was fully subscribed. The amount payable on application was ₹ 2 per share, ₹ 4 per share were payable each on allotment and final call. A shareholder holding 100 shares failed to pay the allotment money. The company did not make the final call. Pass the necessary journal entries in the books of Janta Ltd.

7. Alpha Ltd. issued for public subscription 40,000 equity shares of Rs.10 each, at a premium of Rs. 2 per share, payable as follows:

On Application Rs.2, On Allotment Rs.5 (including the premium), on First call Rs. 2 and on Second & Final Call Rs.3.

Applications were received for all 40,000 shares. P, a shareholder holding 800 shares failed to pay the allotment money, but he paid the amount with First call. T, another shareholder holding 1,000 shares failed to pay both the first and second call. Pass the entries in the books of the Company.

8. Shah Ltd. issued 50,000 shares of Rs. 100 each at a Premium of 20% payable as Rs. 30 on application (inc. prem 10); Rs. 40 on allotment (inc. prem 10) and Rs 20 each on first and final call. Applications were received for all 50,000 shares. Raman, a shareholder holding 500 shares paid both the calls along with allotment

Pass necessary Journal Entries for the above transaction in the books of the company.

9. Plaza Ltd. issued 10,000 shares of Rs. 10 each at a premium of 10% payable as Rs. 2 on application; Rs. 4 on allotment (including premium) and Rs 5 on first and final call. The issue was fully subscribed. Mamta, a holder of 400 shares failed to pay allotment money which he paid along with the first call. Ranjana, a shareholder holding 500 shares paid call money along with allotment. Kamal, a shareholder holding 100 shares did not pay the call money. Pass necessary Journal Entries for the above transaction in the books of the company.

10. A company issued to the public subscription 8,000 shares of Rs. 10 each, payable as Rs. 2 on application & allotment; Rs. 3 on first call and Rs. 5 on final call. Applications were received for 8,000 shares and allotment was made to all the applicants. R, to whom 20 shares were allotted paid only the application money and S who had for 80 shares paid the entire call money due along with allotment. Pass the necessary journal entries to record the above transactions assuming that calls in arrears account are maintained.

11. PM Ltd. purchase machinery from K Ltd. for Rs. 11,88,000 payable 20% in cash and the balance by the issue of fully paid equity shares of Rs. 100 each at par. Journalise the transaction.

12. Sundram Ltd purchased furniture for Rs 3,00,000 from Ravindram Ltd, Rs 1,00,000 were paid by drawing a promissory note in favour of Ravindram Ltd. The balance was paid by issue of equity shares of Rs 10 each at a premium of 25%. Pass journal entries in the books of Sundram Ltd.

13. Gopal Ltd. purchased a running business from Aman Ltd for a sum of Rs 15,00,000. The payment of Rs 12,00,000 was made by issue of fully paid equity shares of Rs 10 each and balance by a bank draft. The assets and liabilities consisted of the following plant Rs 3,50,000; stock Rs 4,50,000; land and building Rs 6,00,000; sundry creditors Rs 1,00,000.

14. Nikhil Ltd purchased a running business from Sonia Ltd for a sum of Rs 22,00,000 by issuing 20,000 fully paid equity shares of Rs 100 each at a premium of 10%. The assets and liabilities consisted of the following Machinery Rs 7,00,000, debtors Rs 2,50,000, stock Rs 5,00,000, budding Rs 11,50,000 and bills payable Rs 2,50,000. Pass necessary journal entries in the books of Nikhil Ltd for the above transactions.

15. Fill in the blank spaces in the journal entries given below:

Date	Particulars	LF	Dr (₹)	Cr (₹)
1	Sundry Assets A/c To Payables A/c To Zenith Ltd. (Being purchase of business from Zenith Ltd)	Dr	-----	7,000 16,000

2.	Zenith Ltd A/c To Cash A/c (Being 10 % of the amount paid by cash)	Dr	-----	-----
3	Zenith Ltd. Discount on issue A/c To Equity Share Capital A/c (Being shares issued to Zenith Ltd of ₹10 each for ₹9 per share.)	Dr Dr	_____ _____	-----

16.Fill in the blanks:

Date	Particulars	LF	Dr (₹)	Cr(₹)
1	Bank A/c To Equity Share Application A/c (Being the application money received on 12,000 shares @ Rs.3 per share)		-----	-----
2.	Equity Share Application A/c To _____ A/c (Being the application money transferred to share capital A/c)		-----	-----
3	Equity share Allotment A/c To Equity Share Capital A/c To ----- A/c (Being the allotment money of Rs. 4, including Re.1 premium due on 12,000 shares)		_____ _____	-----
4	----- A/c _____ A/c To Equity Share Alottment A/c (Being the allotment money received on 11,800 shares and remaining transferred to Calls in Arrear A/c)		----- _____	-----