

Accounts.

Ch-6(A)-2

Share.

## 1. At the time of Application.

i) Bank A/c Dr.  
    To share application A/c  
(Being application money received on share @ )

ii) Share application A/c Dr.  
    To share capital a/c  
(Being application money transferred to share capital)

## 2. At the time of Allotment.

i) Share allotment A/c Dr.  
    To share capital a/c  
(Being allotment due on share @ )

ii) Bank A/c Dr.  
    To share allotment a/c.  
(Being allotment money received)

## 3. At the time of first call

i) Share first call a/c Dr.  
    To share capital a/c  
(Being first call money due on @ )

ii) Bank A/c Dr.  
 To share first call  
 (Being first call money due on — @ —)

4. At the time of second call.

i) Share Second call a/c Dr.  
 To share capital a/c  
 (Being second call money due on — share)

ii) Bank a/c Dr.  
 To share second call a/c  
 (Being second call money received)

5. At the time of third and final call.

i) Share Third & Final call a/c Dr.  
 To share Capital a/c  
 (Being Third and final call money due)

ii) Bank a/c Dr.  
 To share third & final call a/c  
 (Being third and final call money received)

Illustration-2.

Particulars	Amount	
	Dr.	Cr.
i) For application.		
Bank A/c	Dr. 90,000	-
To Share application a/c (Being application money received)	-	90,000
ii) For allotment.		
Share allotment A/c	Dr. 90,000	-
To Share Capital A/c (Being application money transferred)	-	90,000
iii) For first call.		
Share first call a/c	Dr. 60,000	-
To Share Capital a/c (Being first call money due)	-	60,000
iv) For allotment.		
Bank A/c	Dr. 90,000	-
To Share allotment a/c (Being allotment money transferred)	-	90,000

Bank a/c	DH.	60,000	—
To Share first call a/c		—	60,000
(Being first call money transferred)			

iv) For Final Call

Share final call a/c	DH.	60,000	—
To Share Capital a/c		—	60,000
(Being final call money due)			

Bank a/c	DH.	60,000	—
To Share final call a/c		—	60,000
(Being final call transferred)			

One illustration-2

Particulars		Dr.	Cr.
i)	For application		
	Bank a/c	DH.	40,000
	To Share application a/c		—
	(Being application money received)		40,000
	Share application a/c	DH.	40,000
	To Share Capital a/c		—
	(Being application money transferred)		40,000

Particulars		Amount	
		Dr.	Cr.
ii) At Allotment			
Share allotment a/c	Dr.	60,000	-
To Share Capital a/c		-	60,000
(Being allotment money due)			
Bank a/c	Dr.	60,000	-
To Share allotment a/c		-	60,000
(Being allotment money transferred)			
iii) At first call			
Share first call a/c	Dr.	60,000	-
To Share Capital a/c		-	60,000
(Being first call money due)			
Bank a/c	Dr.	60,000	-
To Share first call a/c		-	60,000
(Being first call money transferred)			
iv) At final call			
Share final call a/c	Dr.	40,000	-
To Share Capital a/c		-	40,000
(Being final call money due)			
Bank a/c	Dr.	40,000	-
To Share final call a/c		-	40,000
(Being final call money transferred)			

Share Issue expenses a/c	Dr.	2000	-
To Bank a/c.		-	2000
(Being share issue expenses paid)			

Illustration - 3.

Particulars		Dr.	Cr.
Bank A/c	Dr.	8,00,000	-
To share application a/c		-	8,00,000
(Being share application money received)			
Share application a/c	Dr.	8,00,000	-
To share Capital a/c		-	8,00,000
(Being application money transferred)			
Share allotment a/c	Dr.	8,00,000	-
To share capital a/c		-	4,00,000
To Security premium a/c		-	4,00,000
(Being allotment money due)			
Bank A/c	Dr.	8,00,000	-
To share allotment a/c		-	8,00,000
(Being allotment money received)			

Particular	Dr.	Cr.
Share first call a/c To share Capital a/c (Being first call money due)	Dr. 4,00,000 —	— 4,00,000
Bank a/c To share first call a/c (Being first call money received)	Dr. 4,00,000 —	— 4,00,000
Share second call a/c To share Capital a/c (Being second call money due)	Dr. 4,00,000 —	— 4,00,000
Bank a/c To share <del>first</del> second call a/c (Being second call money received)	Dr. 4,00,000 —	— 4,00,000
Share issue expenses a/c To Bank a/c (Being expenses of share issue paid)	Dr. 20,000 —	— 20,000
Security premium a/c To share issue expenses (Being share issue expenses written of security premium)	Dr. 20,000 —	— 20,000

Qno-9

Particular	Dr.	Cr.
Bank A/c	Dr. 1,20,000	-
To share application a/c (Being application money received)	-	1,20,000
Share application a/c	Dr. 1,20,000	-
To share capital a/c (Being application money transferred)	-	1,20,000
Share allotment a/c	Dr. 3,00,000	-
To share Capital	-	1,80,000
To Security premium	-	1,20,000
(Being allotment money due)		
Bank a/c	Dr. 3,00,000	-
To share allotment a/c (Being allotment money received)	-	3,00,000
Share first call a/c	Dr. 1,80,000	-
To share Capital a/c (Being first call money due)	-	1,80,000
Bank a/c	Dr. 1,80,000	-
To share first call a/c (Being first call money received)	-	1,80,000
Share final call a/c	Dr. 1,20,000	-
To share Capital a/c (Being final call money due)	-	1,20,000



Bank a/c	Dx.	1,20,000	-
To share final call a/c		-	1,20,000
(Being final call money received)			
Share issue exp. a/c	Dx.	5000	-
To Bank a/c		-	5000
(Being share issue exp. paid)			
Security premium a/c	Dx.	5000	-
To Share issue exp. a/c		-	5000
(Being share issue exp. written off Security premium)			

Q Illustration-4

Particular	Dx.	Cr.	
Bank a/c	Dx.	1,00,000	-
To share application & allotment a/c		-	1,00,000
(Being share issued for cash at face)			
Bank a/c	Dx.	1,20,000	-
To share application & allotment a/c		-	1,00,000
To Security premium a/c		-	20,000
(Being share issued for cash at premium of 20%)			

Qno-3.

Particulars	Dr.	Cr.
Bank a/c <span style="float: right;">Dr.</span>	5,00,000	—
To share application & allotment (Being share issued for cash at par)	—	5,00,000
Bank a/c <span style="float: right;">Dr.</span>	5,50,000	
To share application & allotment	—	5,00,000
To security premium a/c (Being share issued for cash at premium of 10%)	—	50,000

Illustration - 5.

Bank a/c <span style="float: right;">Dr.</span>	50,000	—
To share application & allotment (Being application & allotment money received)	—	50,000
Share application & allotment a/c <span style="float: right;">Dr.</span>	50,000	—
To share capital a/c (Being application & allotment money transferred)	—	50,000

Share first call a/c	Dr.	30,000	-
To Share Capital a/c		-	30,000
(Being first call money due)			
Bank a/c	Dr.	30,000	-
To share first call a/c		-	30,000
(Being first call money received)			
Share final call a/c	Dr.	20,000	-
To share Capital a/c		-	20,000
(Being final call money due)			
Bank a/c	Dr.	20,000	-
To share final call a/c		-	20,000
(Being final call money received)			

Qno-4.

Bank a/c	Dr.	2,50,000	-
To share application & allotment		-	2,50,000
(Being application & allotment money received)			
Share application & allotment a/c	Dr.	2,50,000	-
To share capital a/c		-	2,50,000
(Being application & allotment money transferred)			

Share first call a/c	Dr.	1,50,000	—
To share capital a/c		—	1,50,000
(Being first call money due)			
Bank a/c	Dr.	1,50,000	—
To share first call a/c		—	1,50,000
(Being first call money received)			
Share second call a/c	Dr.	1,00,000	—
To share Capital a/c		—	1,00,000
(Being second call money due)			
Bank a/c	Dr.	1,00,000	—
To share second call a/c		—	1,00,000
(Being second call money received)			

Illustration-6.

Bank a/c	Dr.	2,40,000	—
To Preference share application & allotment		—	2,40,000
(Being application and allotment money transferred received)			

Preference share app. & all. a/c To share capital a/c (Being application & allotment money transferred).	Dr. 2,40,000 —	— 2,40,000
Preference share 1 <sup>st</sup> & final call a/c To share capital a/c (Being first and second call money due)	Dr. 1,60,000 —	— 1,60,000
Bank a/c <sup>preference</sup> To share 1 <sup>st</sup> & final call a/c (Being first & second call money received).	1,60,000 —	— 1,60,000

Qno-5.

Bank a/c To Preference share application & allotment a/c (Being application & allotment money received).	Dr. 5,00,000 —	— 5,00,000
Preference share application & all. a/c To share capital a/c (Being application & allotment money transferred).	Dr. 5,00,000 —	— 5,00,000

Preference share 1 <sup>st</sup> & final call To share Capital a/c (Being first and final call money due)	Dr.	5,00,000	—	5,00,000
Bank a/c To Preference share first & final call a/c (Being first and final call money received).	Dr.	5,00,000	—	5,00,000

Illustration- 7

Equity:-

Equity Share application a/c To share Capital a/c (Being application money transferred).	Dr.	4,50,000	—	4,50,000
Equity share allotment a/c To share Capital a/c (Being allotment money due)	Dr.	4,50,000	—	4,50,000
Equity share first call a/c To share Capital a/c (Being first call money	Dr.	3,00,000	—	3,00,000

Equity share final call a/c	Dr.	3,00,000	—
To share Capital a/c		—	3,00,000
(Being final call money due).			

Preference :-

Preference share application a/c	Dr.	30,000	—
To share Capital a/c		—	30,000
(Being application money transferred).			

Preference share allotment a/c	Dr.	30,000	—
To share Capital a/c		—	30,000
(Being allotment money due).			

Preference share first call a/c	Dr.	20,000	—
To share Capital a/c		—	20,000
(Being first call money due).			

Preference share final call a/c	Dr.	20,000	—
To share Capital a/c		—	20,000
(Being final call money due).			

Qno-6.

Equity :-

Equity share application a/c	Dr.	2,50,000	—
To share Capital a/c		—	2,50,000

(Being application money transferred)

<del>Equity</del> Share allotment a/c	Dr.	20000	—
To Share Capital a/c		—	20000

(Being allotment money transferred).

<del>Equity</del> Share first call a/c	Dr.	50000	—
To share Capital a/c		—	50000

(Being first call money transferred).

<del>Equity</del> share final call a/c	Dr.	50000	—
To Share Capital a/c		—	50000

(Being first call money ~~due~~).

### Cash Book

Dr.				Cr.
Particular	₹	Particular	₹	
To share application	2,50,000	By share & expenses	5000	
To share allotment	2,00,000	By balance b/d	495000	
To share first & final call	50,000			
	<u>5,00,000</u>			<u>500,000</u>



Cash book of illustration-7

Dr.	Particulars	₹	Cr.	Particulars	₹
	To Equity share application	45,000		By balance b/d	2,50,000
	To Equity share allotment	45,000			
	To Equity share first call	30,000			
	To Equity share final call	30,000			
	To Preference share application	30,000			
	To Preference share allotment	30,000			
	To Preference share first call	20,000			
	To Preference share final call	20,000			
		<u>2,50,000</u>			<u>2,50,000</u>

## 1. Issue of Shares to Promoters

Incorporation Costs a/c Dr.  
 To Share Capital a/c  
 (Being fully paid shares issued to promoters).

## 2. Issue of share to Vendor.

### i) For purchase of asset from Vendors.

Sundry asset a/c Dr.  
 To Vendor's a/c  
 (Being asset purchased on credit).

### ii) For issuing share to Vendor.

#### a) At Par:

Vendor's a/c Dr.  
 To Share Capital a/c  
 (Being fully paid shares issued to Vendor)

#### b) At Premium:

Vendor's a/c Dr.  
 To Share Capital a/c  
 To Securities Premium Reserve a/c  
 (Being Shares issued to Vendor at premium)

3. Issue of shares to underwriters.

Underwriters a/c Dr.  
 To share capital a/c  
 (Being share issued to underwriters for  
 commission).

Illustration-8

Machinery a/c <span style="float: right;">Dr.</span>	27000	-
To Singhal Bhatia a/c	-	27000
(Being Machinery purchased on credit)		
Singhal Bhatia a/c <span style="float: right;">Dr.</span>	27000	-
To share capital a/c	-	27000
(Being share issued to Singhal Bhatia)		
Singhal Bhatia a/c <span style="float: right;">Dr.</span>	27000	-
To share capital a/c	-	22500
To securities premium	-	4500
(Being share issued at 20% premium).		
Incorporation costs a/c <span style="float: right;">Dr.</span>	10,000	-
To share capital a/c	-	10,000
(Being share issued to promoter).		

### Working Note.

$$\text{Share} = \frac{27000}{10+2} = \frac{27000}{12} = 2250.$$

$$2250 \times 10 = 22500$$

$$2250 \times 2 = 4500$$

Qno-7

Machinery a/c	Dr.	1,90,000	-
To Kalinga a/c		-	1,90,000
(Being Machinery purchased from Kalinga)			

Kalinga a/c	Dr.	1,90,000	-
To share Capital a/c		-	1,90,000
(Being issued share at par)			

Kalinga a/c	Dr.	1,90,000	-
To Share Capital a/c		-	152,000
To share premium a/c		-	38,000
(Being share issued at 20% premium)			

Incorporation cost a/c	Dr.	50,000	-
To share Capital a/c		-	50,000
(Being share issued to promoter)			

$$\text{Working Note :- Share} = \frac{1,90,000}{20 + \frac{5}{2}} = \frac{1,90,000}{25/2}$$

$$= \frac{1,90,000 \times 2}{25} = 152,000$$

$$152,000 \times 10 = 15,20,000$$

$$152,000 \times \frac{5}{2} = 3,80,000$$

Illustration - 9.

Bank a/c	Dr. 30,000	-
To share application a/c (Being application money received)	-	30,000
share application a/c	Dr. 30,000	-
To share capital a/c (Being application money transferred)	-	30,000
Share allotment a/c	Dr. 30,000	-
To Share Capital a/c (Being allotment money due)	-	30,000
Bank a/c	Dr. 30,000	-
To share allotment a/c (Being allotment money received)	-	30,000
Share firstcall a/c	Dr. 30,000	-
To share capital a/c. (Being first call money due)	-	30,000
Bank a/c firstcall	Dr. 29,400	-
To share Capital a/c	-	29,400

(Being first call money received)

Share final call a/c	Dr.	20,000	-
To share capital a/c		-	20,000

(Being final call money due)

Bank a/c	Dr.	19,600	-
To share final call a/c		-	19,600

(Being final call money received)

Q no-8.

Bank a/c	Dr.	2,50,000	-
To share application a/c		-	2,50,000

(Being application money received)

Share application a/c	Dr.	2,50,000	-
To share capital a/c		-	2,50,000

(Being application money transferred)

Share allotment a/c	Dr.	40,00,000	-
To share capital a/c		-	40,00,000

(Being application money due)

Bank a/c	Dr.	40,00,000	—
To share allotment a/c (Being allotment money received)		—	40,00,000
Share first & final call a/c	Dr.	35,00,000	—
To share capital a/c (Being first and final call money due)		—	35,00,000
Bank a/c	Dr.	33,25,000	—
To share first & final call (Being first and final call money received)		—	33,25,000

## Cash Book

Particulars	₹	Particulars	₹
To share application	2,50,000	To balance c/d	88,25,000
To share allotment	40,00,000		
To share first and final call	33,25,000		
	<u>88,25,000</u>		<u>88,25,000</u>

Illustration-10

Bank a/c	Dr.	6,00,000	-
To share application a/c			6,00,000
(Being application money received)			

Share application a/c	Dr.	6,00,000	-
To share Capital a/c			6,00,000
(Being application money transferred)			

Share allotment a/c	Dr.	6,00,000	-
To share Capital a/c			6,00,000
(Being allotment money due)			

Bank a/c	Dr.	6,00,000	-
To share allotment money received)			6,00,000

Share first call a/c	Dr.	4,00,000	-
To share Capital a/c			4,00,000
(Being first call money due)			

Bank a/c	Dr.	3,90,000	-
To share first call			3,90,000
(Being first call money received)			



Share second of Final call a/c	Dr.	4,00,000	-
To Share Capital a/c		-	4,00,000
(Being second of Final call money due)			
Bank a/c	Dr.	4,10,000	-
To Share first call a/c		-	10,000
To Share second of Final call		-	4,00,000
(Being second of Final call money received with first call)			
Bank a/c	Dr.	250	-
To Interest on call-in-arrear		-	250
(Being interest on call in arrear received)			

Working Note.

Interest on call in arrear.  

$$= 10,000 \times \frac{10}{100} \times \frac{3}{12} = 250$$

Ques Illustration-11

Bank a/c	Dr.	4,00,000	-
To share application a/c		-	4,00,000
(Being application money received)			

Share application a/c	Dr.	4,00,000	-
To share Capital a/c		-	4,00,000
(Being application money transferred)			
Share allotment a/c	Dr.	6,00,000	-
To share Capital a/c		-	6,00,000
(Being allotment money due)			
Bank a/c	Dr.	6,30,000	-
To share allotment		-	6,00,000
To share calls-in-advance		-	30,000
(Being allotment money and call in advance)			
Share first call a/c	Dr.	6,00,000	-
To share capital a/c		-	6,00,000
(Being first call money due)			
Bank a/c	Dr.	5,82,000	-
Share cash in advance a/c	Dr.	18,000	-
To share first call		-	6,00,000
(Being first call money received)			
Share Final Call a/c	Dr.	4,00,000	-
To share Capital a/c		-	4,00,000
(Being final call money due)			

Bank a/c	Dr.	388,000	—
call-in-advance a/c	Dr.	12,000	—
To share final call a/c (Being final call money received)		—	4,00,000
Interest on call-in-advance a/c	Dr.	840	—
To Bank a/c (Being interest paid on calls-in-advance)		—	840

Working Note.

Allotment to 1st call

$$= 18000 \times \frac{12}{100} \times \frac{2}{12}$$

$$= 360$$

Allotment to final call.

$$= 12000 \times \frac{12}{100} \times \frac{24}{12}$$

$$= 2480.$$

$$\text{Total Interest} = 360 + 480 = 840.$$

Qno 9.

Bank a/c	Dr.	60,000	—
To share application a/c (Being application money received)		—	60,000
Share application a/c	Dr.	60,000	—
To share capital a/c (Being application money transferred)		—	60,000

Share allotment a/c Dr. 20,000 -  
 To share Capital a/c - 20,000  
 (Being allotment money due)

Bank a/c Dr. 20,200 -  
 To share allotment a/c - 20,000  
 To share call-in-advance - 200  
 (Being allotment money received)

Share first & final call a/c Dr. 20,000 -  
 To share Capital a/c - 20,000  
 (Being first and final call money due)

Bank a/c Dr. 17,800 -  
 Share call-in-advance a/c Dr. 200 -  
 To share first & final call a/c - 18,000  
 (Being first and final call money received)

Q no-10 \*  
 Illustration-12.

Bank a/c Dr. 5,00,000 -  
 To share application a/c - 5,00,000  
 (Being application money received)

Share application a/c Dr. 5,00,000 -  
 To Share Capital a/c - 5,00,000  
 (Being application money transferred)

Share allotment a/c Dr. 5,00,000 -  
 To Share Capital a/c - 50,000  
 (Being allotment money due)

Bank a/c Dr. 50,000 -  
 To Share allotment a/c - 50,000  
 To share call-in-advance - 1000  
 (Being allotment money received)

Share first call a/c Dr. 60,000 -  
 To Share Capital a/c - 60,000  
 (Being first call money due)

Bank a/c Dr. 59,400 -  
 Share call-in-advance a/c Dr. 600 -  
 To share first call a/c - 60,000  
 (Being first call money received)

Share final call a/c Dr. 40,000 -  
 To share Capital a/c - 40,000  
 (Being final call money due)

Bank a/c	Dr.	39600	-
Share call-in-advance	Dr.	400	-
To share final call		-	40,000
(Being final call money received)			
Interest on call-in-advance	Dr.	46	-
To Bank a/c		-	46
(Being call-in-advance interest paid)			

\* Working Note

<p>Allotment to 1st call</p> $(200 \times 3) = 600$ $\frac{600 \times 3}{12} = \frac{150 \times 12}{100}$ $= 18$	<p>Allotment to final call</p> $(200 \times 2) = 400$ $\frac{400 \times 7}{12} \times \frac{12}{100}$ $= 28$
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Interest = 28 + 18  
= 46

ix. 1111-13

Bank a/c	Dr.	1,35,000	-
To Share application a/c		-	1,35,000
(Being application money received)			

Share application a/c	Dr.	1,35,000	-
To share Capital a/c			1,35,000
(Being application money transferred)			
Share allotment a/c	Dr.	2,70,000	-
To share capital a/c			2,25,000
To share premium reserve a/c			45,000
(Being allotment money due)			
Bank a/c	Dr.	2,70,000	-
To share allotment a/c			2,70,000
(Being allotment money received)			
Share first & final call a/c	Dr.	90,000	-
To share Capital a/c			90,000
(Being first & final call due)			
Bank a/c	Dr.	90,000	-
To share first & final call			90,000
(Being first & final call received)			

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Bank a/c	Dr.	90,000	-
To share application a/c			90,000
(Being application money received)			

Share application a/c	Dr.	90,000	-
To share Capital a/c			90,000
(Being application money transferred).			

Share allotment a/c	Dr.	1,80,000	-
To share Capital a/c			1,80,000
(Being allotment money due)			

Bank a/c	Dr.	1,80,500	-
To <del>calls-in-advance</del>			400
To Share allotment a/c			1,79,600
(Being allotment money received).			

Share first call a/c	Dr.	2,70,000	-
To share Capital a/c			2,70,000
(Being first call money due)			

Bank a/c	Dr.	2,70,000	1,500
To <del>share calls-in-advance</del>			200
To share first call a/c			500
(Being first call money received)			

### Illustration -19.

Share Capital a/c	Dr.	1000	-
To Share first call			200
To share final call			300
To share forfeiture a/c			500



(Being share forfeited for non payment of first & final call)

Share Capital a/c	Dr.	1000	—
To share allotment a/c		—	300
To share first call a/c		—	200
To share forfeiture a/c		—	500

(Being share forfeited for non payment of allotment and first call)

Qno-18

1. Share Capital a/c	Dr.	15000	—
To share final call a/c		—	3750
To share forfeiture a/c		—	11250

(Being share forfeited for non payment of final call)

2. Share Capital a/c ( $500 \times \frac{70}{100}$ )	Dr.	35000	—
Security premium a/c ( $500 \times 5$ )	Dr.	2500	—
( $500 \times 55$ ) To share allotment a/c		—	27500
( $500 \times 20$ ) To share forfeiture a/c		—	10,000

(Being share forfeited for non payment of allotment)

## Forfeiture Entries

1. Share issued at par.

Share Capital a/c Dr.  
     To share allotment a/c  
     To share calls a/c  
     To share forfeiture a/c.

(Being share forfeited share issued at par)

2. Share issued at premium.

i) when premium is not received.

Share Capital a/c Dr.  
 Security premium a/c Dr.  
     To share allotment a/c  
     To share calls a/c  
     To share forfeiture a/c

(Being share of forfeiture premium not received).

ii) when premium is received.

- same as par -

7/11/20

Bank a/c	Dr.	30,000	-
To share application a/c		-	30,000
(Being application money received)			

Share application a/c	Dr.	30,000	-
To share capital a/c		-	30,000
(Being application money transferred)			

Share allotment a/c	Dr.	50,000	
To share capital a/c		-	30,000
To security premium		-	20,000
(Being allotment money due including premium)			

Bank a/c	Dr.	49,000	-
To share allotment a/c		-	49,000
(Being allotment money received)			

Share first & final call a/c	Dr.	40,000	-
To share capital call		-	40,000
(Being first and final money due)			

Bank a/c	Dr.	38,000	-
To share first and final call		-	38,000
(Being first and final call money received)			

Share Capital a/c (500x10)	Dr.	5000	-
Security premium a/c (200x2)	Dr.	400	-
(200x5) To share allotment		-	1000
(500x4) To share 1 <sup>st</sup> & final call		-	2000
(200x3+300x6) To forfeiture a/c		-	9200
(Being forfeiture 20 share of Mohand 300 shares of alok)		-	

Qno-19

Bank a/c	Dr.	30,000	-
To share application a/c (Being application money received)			30,000
Share application a/c	Dr.	30,000	-
To Share Capital a/c (Being application money transferred)			30,000
Share allotment a/c	Dr.	40,000	-
To Security premium a/c	Dr.	-	20,000
To Share Capital a/c (Being allotment money due)			20,000
Bank a/c	Dr.	39,600	-
To share allotment a/c (Being allotment money received)			39,600

Share first and final call a/c	Dr.	50,000	-
To share Capital a/c		-	50,000
(Being first and final call money due)			

Bank a/c	Dr.	48500	-
To share 1 <sup>st</sup> & final call		-	48500
(Being 1 <sup>st</sup> and final call money received)			

Share Capital a/c (300x10)	Dr.	3000	-
Security premium a/c (100x2)	Dr.	200	-
(100x4) To share allotment		-	400
(300x5) To share 1 <sup>st</sup> & final call		-	1500
(100x3 + 200x5) To forfeiture a/c		-	1300
(Being forfeiture 100 share of seats and 200 of Greta)			

### Illustration 21

#### Reissue of Forfeited shares.

1. when forfeited shares are reissued at Par:

Bank a/c	Dr.		
To share Capital a/c			
(Being forfeited shares re-issued at par)			

2. when forfeited shares re-issued at Premium:

Dr.

Bank a/c

To Share Capital a/c

To Securities Premium a/c

(Being forfeited share re-issued at premium)

3. When forfeited shares re-issued at Discount:

Dr.

Bank a/c

Share forfeiture a/c

To Share Capital a/c

(Being forfeited shares re-issued at discount)

Dr.

Transferring Forfeiture a/c to Capital Reserve a/c

Dr.

Share forfeiture a/c

To Capital Reserve a/c

(Being profit on re-issue transferred to Capital Reserve a/c)

\*  
illus 21.

Share Capital a/c

Dr. 10,000

To first call a/c

—

2000

To share forfeiture a/c

—

8000

(Being 1000 share forfeited for non payment of final call)

Bank a/c	Dr.	10,000	-
To share capital a/c		-	10,000
(Being forfeited share re-issued at par)			
Share forfeiture a/c	Dr.	8000	-
To capital reserve a/c		-	8000
(Being forfeiture profit on re-issue transferred to Capital Reserve).			

Illus - 22

Share Capital a/c	Dr.	2000	-
Security premium a/c	Dr.	400	-
To share allotment		<del>4000</del>	800
To share call a/c		-	800
To forfeiture a/c		-	800
(Being forfeited due to non payment of allotment & calls)			
Bank a/c	Dr.	200	-
To share capital a/c		-	2000
To securities premium		-	200
(Being forfeited shares re-issued at premium).			

Share forfeiture a/c	Dr.	800	-
To Capital Reserve a/c		-	800
(Being transfer of profit on re-issue of forfeited shares to Capital Reserve).			

Qno-20.

Share Capital a/c	Dr.	1,00,000	-
To Share first call a/c		-	40,000
To Share final call a/c		-	20,000
To Share forfeiture a/c		-	40,000
(Being forfeited non-payment of first and final call)			

Bank a/c	Dr.	1,00,000	-
To Share Capital a/c		-	1,00,000
(Being forfeited share re-issue at par).			

Share forfeiture a/c	Dr.	40,000	-
To Capital Reserve a/c		-	40,000
(Being transfer of profit on re-issue of forfeited share to Capital Reserve)			



Qno-2.

1.	Share Capital a/c	Dr.	6000	
	To share discount a/c			1500
	To share allotment a/c			200
	To Share 1 <sup>st</sup> Call a/c			900
	To share Second Call a/c			1200
	To share forfeiture a/c			2500
	(100x1 + 200x3 + 300x6)			(100 + 600 + 1800)

(Being forfeited non-payment of allotment, 1<sup>st</sup> call & second call)

2.	Bank a/c	Dr.	6000	
	To share Capital a/c			6000
	To SE-Premium A/c (600)			600

(Being forfeited shares issued at par)

4.	Share forfeiture a/c	Dr.	2500	
	To Capital Reserve a/c			2500

(Being transfer of forfeited to Capital Reserve a/c)

3.	Bank a/c	Dr.		
	Share forfeiture a/c	Dr.		
	To Share Capital a/c			

(Being forfeited share issued at discount)

illus - 23.

Share Capital a/c	Dr.	4,00,000	-
To Share 1st call		-	1,00,000
To Share forfeiture a/c		-	3,00,000
(Being forfeited non-payment of final call).			

Bank a/c (2000x60)	Dr.	1,20,000	-
Share forfeiture a/c (2000x40)	Dr.	80,000	-
(2000x60) To Share Capital a/c		-	2,00,000
(Being forfeited share re-issued @ ₹60 as fully paid).			

Share forfeiture a/c	Dr.	70,000	-
To Capital Reserve a/c		-	70,000
(Being the profit on reissue transferred to Capital Reserve)			

$$\frac{3,00,000 \times 2000}{2000} = \frac{8,00,000 \times 1000}{4000} = 1,50,000$$

$$= 1,50,000 - 80,000$$

$$= 70,000$$

P-99

Bank a/c	Dr.	1,00,000	-
To share application a/c		-	1,00,000
(Being application money received on 1,00,000)			

Share application a/c	Dr.	1,00,000	-
To Share Capital a/c		-	1,00,000
(Being application money transferred)			

Share allotment a/c	Dr.	2,00,000	-
To share capital a/c		-	2,00,000
(Being allotment money due)			

Bank a/c	Dr.	1,98,000	-
To share allotment a/c		-	1,98,000
(Being allotment money received)			

Share 1 <sup>st</sup> call a/c	Dr.	3,00,000	-
To share capital a/c		-	3,00,000
(Being 1 <sup>st</sup> call money due)			

Bank a/c	Dr.	2955 00	-
To Share 1 <sup>st</sup> call a/c		-	2955 00
(Being 1 <sup>st</sup> call money received)			

Share final call a/c	Dr.	4,00,000	-
To Share Capital			4,00,000
(Being final call money due)			
Bank a/c	Dr.	392800	-
To share final call a/c			392800
(Being final call money received)			
Share Capital a/c	Dr.	18,00,000	-
To share allotment a/c			2000
To share 1 <sup>st</sup> call a/c			4500
To share final call a/c			7200
To share forfeiture a/c			4300
(Being forfeited non-payment of allotment and calls) (1000x1 + 500x3 + 300x6)			
Bank a/c (1800x9.5)	Dr.	17100	-
Share forfeiture a/c (1800x0.5)	Dr.	900	-
(1800x10) To share Capital a/c			18000
(Being forfeited share reissued at discount 5%)			
Share forfeiture a/c	Dr.	3400	-
To Capital Reserve a/c			3400
(Being forfeiture transferred to Capital Reserve)			

111-94.

Building a/c To Y's a/c (Being purchased building from Y)	Dr.	2,00,000	-	2,00,000
Y's a/c To Share Capital a/c (Being issued share at par)	Dr.	2,00,000	-	2,00,000
Bank a/c To share application a/c (Being application money received)	Dr.	60,000	-	60,000
Share application a/c To share Capital a/c (Being application money transferred)	Dr.	60,000	-	60,000
Share allotment a/c To Share Capital a/c (Being allotment money due)	Dr.	90,000	-	90,000
Bank a/c To Share allotment a/c (Being allotment money received)	Dr.	90,000	-	90,000
Share 1 <sup>st</sup> & final Call a/c To Share Capital (Being 1 <sup>st</sup> & final call due)	Dr.	1,50,000	-	1,50,000

Bank a/c	Dr.	1,49,000	-
To share 1st call & final (Being 1st call and final call money received)		-	1,49,000
Share Capital a/c	Dr.	2000	-
To share calls a/c		-	1000
To Share forfeiture a/c (Being forfeited of non-payment of calls)		-	1000
Bank a/c (200 x 8)	Dr.	1600	-
Forfeiture a/c (200 x 2)	Dr.	400	-
(200 x 10) To Share Capital a/c (Being share reissued)		-	2000
Share forfeiture a/c	Dr.	600	-
To Capital Reserve a/c (Being forfeiture transferred to Capital Reserve)		-	600

A Qno- 23.

Building a/c	Dr.	2,00,000	-
To Pooja Builders a/c (Being Building purchased from Pooja Builders)		-	2,00,000

Rojja Builder's a/c To Share Capital a/c (Being Rojja share issued at par)	Dr. 2,00,000 —	— 2,00,000
Share application a/c To Share Capital a/c (Being app. money transferred)	Dr. 80,000 —	— 80,000
Bank a/c To Share app. a/c (Being app. money received)	Dr. 80,000 —	— 80,000
Share allotment a/c To Share Capital a/c (Being allotment money due)	Dr. 80,000 —	— 80,000
Bank a/c To Share allotment a/c (Being allotment money received)	Dr. 80,000 —	— 80,000
Share 1 <sup>st</sup> call a/c To Share Capital a/c (Being 1 <sup>st</sup> call money due)	Dr. 1,20,000 —	— 1,20,000
Bank a/c To Share 1 <sup>st</sup> call a/c (Being 1 <sup>st</sup> call money received)	Dr. 1,18,800 —	— 1,18,800

Share Final call a/c	Dr.	1,20,000	-
To share Capital a/c		-	1,20,000
(Being final call money due)			
Bank a/c	Dr.	1,18,800	-
To share Final call a/c		-	1,18,800
(Being final call money received)			
Share Capital a/c	Dr.	4000	-
To share First call a/c		-	1200
To share final call a/c		-	1200
To share forfeiture a/c		-	1600
(Being forfeited share non-payment of calls)			
Bank a/c (200x17)	Dr.	3400	-
Forfeiture a/c (200x3)	Dr.	600	-
To share Capital a/c		-	4000
(Being forfeited share re-issued)			
Forfeiture a/c	Dr.	1000	-
To Capital Reserve a/c		-	1000
(Being forfeiture transferred to Capital Reserve)			



Illustration-25.

Bank a/c	Dr.	25,000	-
To share application a/c		-	25,000
(Being app. money received)			

Share app. a/c	Dr.	25,000	-
To share capital a/c		-	25,000
(Being app. money transferred)			

Share allotment a/c	Dr.	25,000	-
To share capital a/c		-	25,000
(Being allot. money due)			

Bank a/c	Dr.	22,500	-
To share allotment a/c		-	22,500
(Being allotment money received)			

Share 1 <sup>st</sup> call a/c	Dr.	30,000	-
To share capital a/c		-	30,000
(Being 1 <sup>st</sup> call money due)			

Bank a/c	Dr.	27,000	-
To share 1 <sup>st</sup> call a/c		-	27,000
(Being 1 <sup>st</sup> call money received)			

X Share final call a/c	Dr.		
To share capital a/c			
(Being final call money due)			

X Bank a/c	Dr.		
To share final call (Being final call money received).			
Share Capital a/c	Dr.	8000	—
To share allotment a/c			
To share first call a/c			
To share forfeiture a/c			
(Being forfeited share non-payment of allotment and 1st call).			
			2500
			3000
			2500
Bank a/c	Dr.	8500	—
To Share capital a/c			
To security premium a/c			
(Being forfeited share re-issued).			
			8000
			500
Forfeiture a/c	Dr.	2500	—
To capital reserve a/c			
(Being forfeiture transferred to capital reserve).			
			2500

Q no - 24. 1st - 24

Bank a/c	Dr.	80,000	—
To share app. a/c			
(Being app. money received).			
			30,000

Share app. a/c	Dr.	20,000	-
To Share Capital a/c		-	20,000
(Being app. money transferred)			
Share allotment a/c	Dr.	45,000	-
To Share Capital a/c		-	45,000
(Being applico money due)			
Bank a/c	Dr.	45,000	-
To share allotment a/c		-	45,000
(Being allotment money received)			
Share 1 <sup>st</sup> call a/c	Dr.	30,000	-
To Share Capital a/c		-	30,000
(Being 1 <sup>st</sup> call money due)			
Bank a/c	Dr.	29,000	-
To share 1 <sup>st</sup> call a/c		-	29,000
(Being 1 <sup>st</sup> call money received)			
Share Capital a/c	Dr.	3,500	-
To share 1 <sup>st</sup> call a/c		-	1,000
To share forfeiture a/c		-	2,500
(Being forfeited share non-payment of first call)			
Bank a/c <sup>(500 x 5)</sup>	Dr.	2,500	-
Forfeiture a/c <sup>(500 x 2)</sup>	Dr.	1,000	-
To share Capital a/c <sup>(500 x 7)</sup>		-	3,500
(Being forfeiture share issued at discount)			

Share Forfeiture a/c	Dr.	1500	-
To Capital Reserve a/c		-	1500
(Being forfeited share transferred to Capital Reserve).			

illus - 26.

Equity share app. a/c	Dr.	1,50,000	-
To Equity share Capital a/c		-	1,50,000
(Being Equity App money transferred)			

Equity share allotment a/c	Dr.	2,00,000	-
To Equity share Capital a/c		-	2,00,000
(Being Equity allotment money due)			

Equity share 1 <sup>st</sup> call a/c	Dr.	1,00,000	-
To Equity share Capital a/c		-	1,00,000
(Being equity share 1 <sup>st</sup> call money due)			

Equity Share Capital a/c	Dr.	18000	-
To Equity share allotment a/c		-	8000
To Equity share 1 <sup>st</sup> call a/c		-	4000
To share forfeiture a/c		-	6000
(Being equity forfeiture non-payment of allotment, 1 <sup>st</sup> call)			

Equity share final call a/c	Dx	48,000	-
To share capital a/c		-	48,000
(Being share final call money due).			

Equity Share Capital a/c	Dx	40,000	-
To share final call a/c		-	4,000
To share forfeiture a/c		-	36,000

## Bank a/c.

To Equity application	1,50,000	By balance C/d	4,82,000
To Equity allotment	1,92,000		
To Equity 1 <sup>st</sup> call	96,000		
To Equity Final call	44,000		
	<u>4,82,000</u>		<u>4,82,000</u>

Q no 25.

Bank a/c	Dx	60,000	-
To share application <sup>ca</sup> a/c		-	60,000
(Being app. money transferred).			

Share application and allotment	Dx	60,000	-
To share capital a/c		-	60,000
(Being app. money due).			

Equity share final call a/c	DH	48,000	-
To share capital a/c		-	48,000
(Being share final call money due).			
Equity Share Capital a/c	DH	40,000	-
To share final call a/c		-	4,000
To share forfeiture a/c		-	36,000

Bank a/c.

To Equity application	1,50,000	By balance C/d	4,82,000
To Equity allotment	1,92,000		
To Equity 1 <sup>st</sup> call	96,000		
To Equity Final call	44,000		
	<u>4,82,000</u>		<u>4,82,000</u>

Q no 25.

Bank a/c	DH	60,000	-
To share application <sup>ta.</sup> a/c		-	60,000
(Being app. money transferred).			
Share application and allotment	DH	60,000	-
To share capital a/c		-	60,000
(Being app. money due).			

1<sup>st</sup> call

Share allotment a/c	Dr.	80,000	—
To share Capital a/c		—	80,000
(Being 1 <sup>st</sup> call money due)			

Bank a/c	Dr.	19,200	—
To share 1 <sup>st</sup> call a/c		—	19,200
(Being 1 <sup>st</sup> call money received)			

Share Capital a/c	Dr.	1400	—
To share first call a/c		—	800
To share forfeiture a/c		—	600
(Being forfeited share non-payment of first call)			

Share Final call a/c	Dr.	19,800	—
To share Capital a/c		—	19,800
(Being final call money due)			

Bank a/c	Dr.	19,500	—
To share final call a/c		—	19,500
(Being final call money received)			

Share Capital a/c	Dr.	1,000	—
To share final call		—	300
To share forfeiture a/c		—	700
(Being forfeited non-payment of final call)			

11/11/21

Bank a/c	Dr.	20,000	-
To Equity share app. & allot. a/c		-	20,000
(Being share app. and allotment received)			

Equity share app. & allot. a/c	Dr.	20,000	-
To Share Capital a/c		-	20,000
(Being share app. and allotment due)			

Equity share 1 <sup>st</sup> call a/c	Dr.	40,000	-
To Equity share Capital a/c		-	40,000
(Being share 1 <sup>st</sup> call money due)			

Bank a/c	Dr.	38,000	-
To Equity share 1 <sup>st</sup> call a/c		-	38,000
(Being share 1 <sup>st</sup> call money received)			

Equity share final call a/c	Dr.	40,000	-
To Equity share Capital		-	40,000
(Being share final call money due)			

Bank a/c	Dr.	38,000	-
To Equity share final call a/c		-	38,000
(Being share final call money received)			



Equity Share Capital a/c	Dr.	5000	—
To Equity 1st call a/c		—	2000
To Equity Final call a/c		—	2000
To Share forfeiture a/c		—	1000
(Being forfeiture share non-paym. of 1st call and final call).			
Bank a/c	Dr.	2700	—
Share forfeiture a/c	Dr.	300	—
To share capital a/c		—	3000
(Being forfeiture received at discount).			
Share forfeiture a/c	Dr.	300	—
To Capital Reserve		—	300
(Being forfeiture transferred to Capital Reserve).			

Sno-26.

Bank a/c	Dr.	1,00,000	—
To Preference share app. & all. a/c		—	1,00,000
(Being share application and allotment money received)			
Preference share app. & all. a/c	Dr.	1,00,000	—
To Share Capital a/c		—	1,00,000
(Being share app. & all. transferred)			

Preference Share 1<sup>st</sup> call a/c Dr. 5,00,000 -  
 To Preference share Capital - 5,00,000  
 (Being share 1<sup>st</sup> call money due).

Bank a/c Dr. 5,00,000 -  
 To Preference share 1<sup>st</sup> call a/c - 5,00,000  
 (Being share 1<sup>st</sup> call money received).

Preference share second call a/c Dr. 5,00,000 -  
 To Preference Share Capital - 5,00,000  
 (Being share 2<sup>nd</sup> call money due).

Bank a/c Dr. 4,80,000 -  
 To Preference share 2<sup>nd</sup> call - 4,80,000  
 (Being share 2<sup>nd</sup> call money received).

Preference share Capital a/c Dr. 80,000 -  
 To share 2<sup>nd</sup> call a/c - 20,000  
 To Share Forfeiture a/c - 60,000  
 (Being share forfeited non-payment of 2<sup>nd</sup> call).

Bank a/c (300x80) Dr. 24,000 -  
 Forfeiture a/c (300x20) Dr. 6,000 -  
 To share Capital a/c (300x100) - 30,000  
 (Being forfeited share reissued at discount).

share forfeiture a/c	Dr.	16500	
To Capital Reserve a/c			16500
(Being forfeited share transferred to Capital Reserve)			

$$\text{working note: } \frac{60,000 \times 300}{800} = 22500 - 6000 = 16500$$

Q.1111-28

Buildings a/c	Dr.		
To Share Capital a/c			
(Being building purchased and make payment of it).			

Bank a/c	Dr.		
To Share application a/c			
(Being application money received)			

Share application a/c	Dr.		
To Share Capital a/c			
(Being application money transfer)			

Share allotment a/c	Dr.		
To Share Capital a/c			
(Being allotment money due).			

Bank a/c	Dr.		
To Share allotment a/c			
(Being allotment money received)			

Share 1<sup>st</sup> call a/c Dr.  
 To share capital a/c  
 (Being 1<sup>st</sup> call money due)

Bank a/c Dr.  
 To share 1<sup>st</sup> call a/c  
 (Being 1<sup>st</sup> call money received)

Share 2<sup>nd</sup> call a/c Dr.  
 To share capital a/c  
 (Being 2<sup>nd</sup> call money due)

Bank a/c Dr.  
 To share 2<sup>nd</sup> call a/c  
 (Being 2<sup>nd</sup> call money received)

$$\begin{array}{r}
 60,000 \times 3.00 \\
 \hline
 180,000 \\
 225,000 - 60,000 \\
 \hline
 165,000
 \end{array}$$

Plus-29

Share Capital a/c	Dr.	1,00,000	-
To Share allotment a/c		-	10,000
To Share 1 <sup>st</sup> call a/c		-	24,000
To Share 2 <sup>nd</sup> & final call a/c		-	30,000
To Share forfeiture a/c		-	36,000
(Being forfeited share non-payment of allotment & calls)			

Bank a/c $(500 \times 90 + 300 \times 80 + 200 \times 75)$	Dr.	84,000	-
Forfeiture a/c $(500 \times 10 + 300 \times 20 + 200 \times 25)$	Dr.	16,000	-
To Share Capital a/c		-	1,00,000
(Being forfeited share issued at discount)			

Share forfeiture a/c	Dr.	20,000	-
To Capital Reserve a/c		-	20,000
(Being forfeited share transferred to Capital Reserve)			

Share Capital a/c	Dr.	3,000	-
To Share allotment a/c		-	375
To Share 1 <sup>st</sup> call a/c		-	400
To Share 2 <sup>nd</sup> call a/c		-	900
To Share Forfeiture a/c		-	1,325
(Being share forfeited non-			

payment of allotment and calls).

Bank a/c	(125x8+75x6+100x5)	Dr.	1950	—
Share forfeiture a/c	(125x2+75x4+100x5)	Dr.	1050	—
	To Share Capital a/c		—	3000
(Being forfeited share issued at discount)				

Share forfeiture a/c		Dr.	275	—
	To Capital Reserve a/c		—	275
(Being forfeited share transferred to Capital Reserve)				

Q. 99.

@ Share Capital a/c		Dr.	600	—
	To share allotment		—	180
	To share calls		—	240
	To share forfeiture a/c		—	180
(Being share forfeited non-payment of allotment and calls)				

Bank a/c		Dr.	480	—
Share Forfeiture a/c		Dr.	120	—
	To Share Capital a/c		—	600
(Being forfeited share issued at discount)				

Share forfeiture a/c	Dr.	60	-
To Capital Reserve.		-	60
(Being share forfeited transferred to Capital Reserve)			

(b) Share Capital a/c	Dr.	210	-
To Share call a/c		-	60
To Share forfeiture a/c		-	150
(Being forfeited share non-payment of calls)			

Bank a/c	Dr.	90	-
Forfeiture a/c	Dr.	160	-
To share Capital a/c		-	150
(Being share forfeited issued at discount)			

Share forfeiture a/c	Dr.	15	-
To Capital Reserve a/c		-	15
(Being forfeited share transferred to Capital Reserve)			

Working Note  $\rightarrow \frac{150 \times 15}{30} = 75 - 60 = 15$

Q-30.

Bank a/c	Dr.	20,000	-
To share application a/c		-	20,000

(Being app. money received)

Share app. a/c

Dr. 20,000

-

To share capital a/c

-

20,000

(Being app. money transferred)

Share allotment a/c

Dr. 60,000

-

To share capital a/c

-

60,000

(Being allotment money due)

Bank a/c

Dr. 58,500

-

To share allotment a/c

-

58,500

(Being allotment money received)

Share 1<sup>st</sup> call a/c

Dr. 40,000

-

To share capital a/c

-

40,000

(Being 1<sup>st</sup> call money due)

Bank a/c

Dr. 37,200

-

To share 1<sup>st</sup> call a/c

-

37,200

(Being 1<sup>st</sup> call money received)

Share final call a/c

Dr. 80,000

-

To share capital a/c

-

80,000

(Being final call money due)

Bank a/c

Dr. 72,000

-

To share final call a/c

-

72,000

(Being final call money received)



Share Capital a/c	Dr.	20,000	-
To Share allotment a/c		-	1500
To Share 1 <sup>st</sup> call a/c		-	2400
To Share Final call a/c		-	8000
To Share forfeited a/c		-	7300
(Being forfeited share non-payment of allotment & calls)			
Bank a/c (2000 x 9.5)	Dr.	19000	-
Share forfeiture a/c (2000 x 0.5)	Dr.	1000	-
To Share Capital a/c		-	20,000
(Being forfeited share reissued at discount)			
Share forfeiture a/c	Dr.	6700	-
To Capital Reserve		-	6700
(Being forfeited share transferred to Capital Reserve)			

Plus-30

@ Share Capital a/c	Dr.	10,000	-
To Share final call a/c		-	2000
To Share forfeiture a/c		-	8000
(Being forfeited share of non-payment of final call)			

Bank a/c (80x75)	Dr.	6000	—
Share forfeiture a/c (80x25)	Dr.	2000	—
To Share Capital a/c		—	8000
(Being forfeited share reissued at discount).			

Share forfeiture a/c	Dr.	44000	—
To Capital Reserve a/c		—	4400
(Being forfeited share transferred to Capital Reserve).			
$8000 \times 80 = 6400 - 2000 = 4400$			
$\frac{8000}{100}$			

⑤

Share Capital a/c	Dr.	80	—
To share calls a/c		—	20
To share forfeiture a/c		—	60
(Being forfeited share Non-payment of calls).			

Bank a/c	Dr.	70	—
Share forfeiture a/c	Dr.	30	—
To share Capital a/c		—	100
(Being forfeited share reissued at Discount).			

Share forfeiture a/c	Dr.	30	—
To Capital Reserve a/c		—	30
(Being forfeited share transferred to Capital Reserve)			

<p>③ Share Capital a/c</p> <p style="padding-left: 20px;">To share 1st call</p> <p style="padding-left: 20px;">To share forfeiture</p> <p>(Being forfeited share non-payment of 1st call).</p>	<p>Dr. 100</p> <p style="padding-left: 20px;">—</p> <p style="padding-left: 20px;">—</p>	<p>—</p> <p>200</p> <p>500</p>
<p>Bank a/c (30x6)</p> <p>Share forfeiture a/c (30x1)</p> <p style="padding-left: 20px;">To share capital a/c</p> <p>(Being forfeited share reissued at Discount)-</p>	<p>Dr. 180</p> <p>Dr. 30</p> <p style="padding-left: 20px;">—</p>	<p>—</p> <p>—</p> <p>210</p>
<p>Share forfeiture a/c</p> <p style="padding-left: 20px;">To Capital Reserve a/c</p> <p>(Being forfeited share transferred to Capital Reserve.)</p> <p><math>\frac{500 \times 30}{100} = 150 - 30 = 120</math></p>	<p>Dr. 120</p> <p style="padding-left: 20px;">—</p>	<p>—</p> <p>120</p>
<p>④ Share Capital a/c</p> <p style="padding-left: 20px;">To share 1st call</p> <p style="padding-left: 20px;">To share final call</p> <p style="padding-left: 20px;">To share forfeiture a/c</p> <p>(Being forfeited share non-payment of calls).</p>	<p>Dr. 500</p> <p style="padding-left: 20px;">—</p> <p style="padding-left: 20px;">—</p> <p style="padding-left: 20px;">—</p>	<p>—</p> <p>100</p> <p>150</p> <p>250</p>
<p>Bank a/c (30x8)</p> <p>Share forfeiture a/c (30x2)</p> <p style="padding-left: 20px;">To share Capital a/c</p> <p>(Being forfeited share reissued at Discount).</p>	<p>Dr. 240</p> <p>Dr. 60</p> <p style="padding-left: 20px;">—</p>	<p>—</p> <p>—</p> <p>300</p>

Share forfeiture a/c	Dr.	90	-
To Capital Reserve		-	90
(Being forfeited share transferred to Capital Reserve) $\frac{250 \times 30}{50} = 150 - 60 = 90$			

① Share Capital a/c	Dr.	1000	-
To share calls a/c		-	500
To Share forfeiture a/c		-	500
(Being forfeiture share non-payment of 1st call).			

Bank a/c	Dr.	900	-
Share Forfeiture a/c	Dr.	100	-
To Share Capital a/c		-	1000
(Being forfeited share issued at Discount).			

Share forfeiture a/c	Dr.	400	-
To Capital Reserve a/c		-	400
(Being forfeiture transferred to Capital Reserve).			

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Bank a/c	Dr.	10,000	-
To Equity share application a/c		-	10,000
(Being app. money received)			

Equity share app. a/c	Dr.	10,000	-
To Equity Share Capital a/c		-	10,000
(Being app. money transferred)			
Equity share allotment a/c	Dr.	20,000	-
To Equity share Capital a/c		-	20,000
(Being allotment money due)			
Bank a/c	Dr.	19,600	-
To Equity share allotment a/c		-	19,600
(Being allotment money received)			
Equity share 1 <sup>st</sup> call a/c	Dr.	30,000	-
To Equity share Capital a/c		-	30,000
(Being share 1 <sup>st</sup> call money due)			
Bank a/c	Dr.	28,950	-
To Equity share 1 <sup>st</sup> call a/c		-	28,950
(Being 1 <sup>st</sup> call money received)			
Equity share final call a/c	Dr.	40,000	-
To Equity share Capital a/c		-	40,000
(Being final call money due)			
Bank a/c	Dr.	38,900	-
To Equity share final call a/c		-	38,900
(Being final call money received)			

Share Capital a/c	Dr.	4000	—
To Equity share allotment a/c		—	400
To Equity share 1 <sup>st</sup> call a/c		—	1050
To Equity share 2 <sup>nd</sup> call a/c		—	1800
To Equity share forfeiture a/c		—	950
(Being forfeited share non-payment of allotment & calls).			

Bank a/c (400 x 9.5)	Dr.	3800	—
Share forfeiture a/c (400 x 0.5)	Dr.	200	—
To Share Capital a/c		—	400
(Being forfeited share reissued at discount)			

Share forfeiture a/c	Dr.	750	—
To Capital Reserve a/c		—	750
(Being forfeited share transferred to the Capital Reserve)			

ill-33

@ Share Capital a/c	Dr.	210	—
To Share calls a/c		—	60
To Share forfeiture a/c		—	150
(Being forfeited share non-payment of calls)			

Bank a/c (25x6)	Dr.	150	-
Discount a/c (25x4)	Dr.	100	-
To share Capital a/c (Being forfeited share issued at discount)		-	250

Share forfeiture a/c	Dr.	25	-
To Capital Reserve a/c (Being share forfeiture transferred to Capital Reserve)		-	25
$150 \times 25 - 125 - 100 = 25$			
30			

(3)

Share Capital a/c	Dr.	90	-
Security Premium a/c	Dr.	10	-
To Share allotment a/c		-	30
To Share First call a/c		-	20
To share forfeiture a/c (Being share forfeited non-payment of allotment & 1st call)		-	50

Bank a/c (8x6)	Dr.	48	-
Share forfeiture a/c (8x2)	Dr.	12	-
To share capital a/c (Being share forfeited issued at discount)		-	60

Share forfeiture a/c	Dr.	18	-
To Capital Reserve a/c (Being forfeited share transferred to Capital Reserve)		-	18
$\frac{50}{10} \times 6 = 30 - 12 = 18$			

Bank a/c (3,15)	Dr	24	
(2.10) To Bank Share Capital a/c			24
(2.11) To Security Premium a/c			4
(Being forfeited share <del>transferred</del> reissued at premium)			
Share forfeiture a/c	Dr	10	
To Capital Reserve			10
(Being forfeited share transferred to Capital Reserve) $\frac{50}{10} \times 2 = 10$			

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a. Share Capital a/c	Dr	1000	
To share final call			400
To share forfeiture			600
(Being forfeited share non-payment of final call)			
Bank a/c (100x8)	Dr	800	
Forfeiture a/c (100x2)	Dr	200	
To Share Capital a/c			1000
(Being forfeited share non-payment of reissued at discount)			
Share forfeiture a/c	Dr	400	
To Capital Reserve			400
(Being share forfeiture)			



transferred to Capital Reserve).

② Share Capital a/c	Dr.	1000	-
To Share final call		-	400
To Share forfeiture a/c		-	600
(Being the forfeited share non payment of final call)			

Bank a/c (60x8)	Dr.	480	-
Forfeiture a/c (60x2)	Dr.	120	-
To Share Capital a/c		-	600
(Being share forfeited & reissued at Discount).			

Share forfeiture a/c	Dr.	240	-
To Capital Reserve a/c		-	240
(Being forfeited share transferred to Capital Reserve)			
$\frac{600 \times 60}{100} = 360 - 120 =$			

③ Share Capital a/c	Dr.	800	-
Security premium a/c	Dr.	200	-
To Share final call		-	400
To Share forfeiture a/c		-	600
(Being the forfeited share non payment of final call).			

Bank a/c	Dr.	800	-
Share forfeiture a/c	Dr.	200	-
To Share Capital a/c		-	1000

(Being forfeited share re-issued at Discount).

Share forfeiture a/c	Dr.	400	-
To Capital reserve a/c			400.

(Being forfeited share transferred to Capital reserve)

(a)

Share Capital a/c	Dr.	800	-
Security Premium a/c	Dr.	200	-
To Share allotment a/c		-	500
To Share Calls a/c		-	200
To share forfeiture a/c		-	300

(Being forfeited share non-payment of allotment & calls).

Bank a/c	Dr.	800	-
Share forfeiture a/c	Dr.	200	-
To share Capital a/c		-	1000

(Being share forfeited share reissued at Discount).

Share forfeiture a/c	Dr.	100	-
To Capital Reserve a/c		-	100

(Being forfeited share transferred to Capital Reserve).

Q no-35

Bank a/c	Dr.	2,00,000	
To Share application & allotment (Being app. and allot. money received)			2,00,000
Share application & allot. a/c	Dr.	2,00,000	
To Share Capital a/c (Being app. and allot. money transferred)			2,00,000
Share first call a/c	Dr.	80,000	
To Share Capital a/c			40,000
To share security premium. (Being first call money due)			40,000
Bank a/c	Dr.	72,000	
To share first call a/c (Being first call money received)			72,000
Share final call a/c	Dr.	1,20,000	
To Share Capital a/c (Being final call money due)			1,20,000
Bank a/c	Dr.	1,08,000	
To Share final call (Being final call money received)			1,08,000

Share Capital a/c Dr. 360,000 —  
 Security premium a/c Dr. 40,000 —  
     To Share 1st call — 80,000  
     To Share Final call — 1,20,000  
     To Share forfeiture a/c — 20,000  
 (Being share forfeited non payment of calls).

Bank a/c (2000 x 14) Dr. 28000 —  
 Share forfeiture a/c (2000 x 6) Dr. 12000 —  
     To Share Capital a/c — 40,000  
 (Being share forfeited issued at Discount)

Share forfeiture a/c Dr. 8000 —  
     To Capital Reserve a/c — 8000  
 (Being forfeited share transferred to Capital Reserve).

\*

Billies - 74

Share applied	Share allotted	App. money received	Actual money	Adjustment allotment	Adjustment Call	Refund
2000	—	20,000	—	—	—	20,000
10,000	10,000	1,00,000	1,00,000	—	—	—
12000	10,000	<u>1,20,000</u>	<u>1,00,000</u>	<u>—</u>	<u>—</u>	<u>20,000</u>

Bank a/c Dr. 1,20,000 -  
To share application a/c  
 (Being app. money received) - 1,20,000

Share application a/c Dr. 1,20,000 -  
To share capital a/c - 1,00,000  
To Bank a/c - 20,000  
 (Being app. money transferred and application refunded).

Share allotment a/c Dr. 50,000 -  
To share capital a/c - 50,000  
 (Being allotment money due)

Bank a/c Dr. 50,000 -  
To share allotment a/c - 50,000  
 (Being allotment money transferred)

Share 1<sup>st</sup> call a/c Dr. 50,000 -  
To share capital a/c - 50,000  
 (Being 1<sup>st</sup> call money due)

Bank a/c Dr. 47,500 -  
To share 1<sup>st</sup> call a/c - 47,500  
 (Being 1<sup>st</sup> call money received)

Share final call a/c Dr. 50,000 -  
To share capital a/c - 50,000  
 (Being final call money due)

Bank a/c Dr. 47500 -  
 To share final call a/c - 47500  
 (Being final call money received)

Qno-13

Share applied	Share allotted	App. money received	Actual money	Adjustment allotment	Adjustment Call	Refund
5000	-	1,00,000	-	-	-	1,95,000
20,000	20,000	4,00,000	4,00,000	-	-	-
<u>5000</u>	<u>20,000</u>	<u>5,00,000</u>	<u>4,00,000</u>	-	-	<u>1,95,000</u>

Bank a/c Dr. 5,00,000 -  
 To share application a/c - 5,00,000  
 (Being app. money received)

share application a/c Dr. 5,00,000 -  
 To share capital a/c - 4,00,000  
 To Bank a/c - 1,00,000  
 (Being app. money transferred and app. refunded)

Share allotment a/c Dr. 8,00,000 -  
 To share capital a/c - 8,00,000  
 (Being allotment money due)

Bank a/c	Dr.	8,00,000	-
To share allotment a/c (Being allotment money received)		-	8,00,000
Share 1 <sup>st</sup> & Final call a/c	Dr.	8,00,000	-
To share capital a/c (Being 1 <sup>st</sup> & final call money due)		-	8,00,000
Bank a/c	Dr.	7,50,000	-
To share 1 <sup>st</sup> & final call a/c (Being 1 <sup>st</sup> & final call money received.)		-	7,50,000

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Share applied	Share allotted	App. money received	Actual money	Adjusted allotment	Adjusted call	Refund.
15000	10,000	45000	30,000	15000	-	-
<u>15000</u>	<u>10,000</u>	<u>45000</u>	<u>30,000</u>	<u>15000</u>	<u>-</u>	<u>-</u>

Bank a/c	Dr.	45000	-
To share application a/c (Being app. money received)		-	45000
Share application a/c	Dr.	45000	-
To share capital a/c		-	30,000
To share allotment a/c		-	15000

(Being share allotment money transferred and)

Share allotment a/c	Dr.	50,000	-
To Share Capital a/c		-	30,000
To Security Premium a/c		-	20,000
(Being allotment money due)			

Bank a/c	Dr.	35,000	-
To share allotment a/c		-	35,000
(Being allotment money received)			

Share 1 <sup>st</sup> & 2 <sup>nd</sup> call a/c	Dr.	40,000	-
To Share Capital a/c		-	40,000
(Being 1 <sup>st</sup> call money due)			

Bank A/c	Dr.	40,000	-
To share 1 <sup>st</sup> & final call a/c		-	40,000
(Being 1 <sup>st</sup> & final call money received)			

Share issued Exp. a/c	Dr.	10,000	-
To Bank a/c		-	10,000
(Being exp. incurred on issue of share)			

Securities Premium Reserve a/c	Dr.	10,000	-
To share issue exp		-	10,000
(Being share issue exp. written off)			



Share applied	Share allotted	Bank money received	Share money	Adjustment called	Adjustment called	Balance
₹ 5000	12000	45000	26000	9000		
<u>15000</u>	<u>12000</u>	<u>45000</u>	<u>36000</u>	<u>9000</u>		

Bank a/c Dr. 45000

To Share app. a/c - 45000

(Being app money received)

Share app a/c Dr. 45000

To share Capital a/c - 36000

To share allotment a/c - 9000

(Being app money transferred)

Share allotment a/c Dr. 24000

To Share Capital a/c - 24000

(Being allotment money due)

Bank a/c Dr. 15000

To Share allotment a/c - 15000

(Being allotment money received)

Share 1<sup>st</sup> Call a/c Dr. 24000

To share Capital a/c - 24000

(Being 1<sup>st</sup> call money due)

Bank a/c Dr. 90000 -  
 To Share 1st call a/c - 90000  
 (Being 1st call money received)

Share Final call a/c Dr. 36000 -  
 To Share Capital a/c - 36000  
 (Being final call money due)

Bank a/c Dr. 31200 -  
 To Share final call a/c - 31200  
 (Being final call money received)

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Share allotted	Share allotted	App money received	Actual money	Adjustment allotment	Adjustment call	Refund
15000	15000	45000	45000	0		
15000	-	7500	-	-	-	35000
3500	5000	55500	15000	20,000	20,000	500
6000	29,000	1,08,000	60,000			8000

Bank a/c Dr. 10800 -  
 To Share application a/c - 10800  
 (Being app. money received)

Share application a/c	Dr.	10800	-
To Share Capital a/c		-	60,000
To Share allotment a/c		-	20,000
To Share Calls a/c		-	20,000
(7500+500) To Bank a/c		-	8,000
(Being app. money transferred)			

Share allotment a/c	Dr.	80,000	-
To Share Capital a/c		-	80,000
To Security premium a/c		-	20,000
(Being allotment money due)			

Bank a/c	Dr.	60,000	-
To Share allotment a/c		-	60,000
(Being allotment money received)			

Share 1 <sup>st</sup> call a/c	Dr.	80,000	-
To Share Capital a/c		-	80,000
(Being Share 1 <sup>st</sup> call money due)			

Bank a/c	Dr.	60,000	-
To Share 1 <sup>st</sup> & final call		-	60,000
(Being 1 <sup>st</sup> & final call money received)			

300000

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Date \_\_\_\_\_

Q no 15

Share applied	Share allotted	App. money received	Actual money	Adjustment allotted	Adjustment call	Refund
15000	—	3,00,000	—	—	—	3,00,000
6000	5000	1,00,000	1,00,000	—	—	—
6000	4000	1,20,000	90,000	30,000	—	—
80,000	50,000	16,00,000	20,00,000	30,000	—	30,000

Bank a/c Dr. 16,00,000  
 To share app. a/c 16,00,000  
 (Being app. money received)

Share app. a/c Dr. 16,00,000  
 To Share Capital a/c 10,00,000  
 To Share allotment a/c 3,00,000  
 To Bank a/c 3,00,000  
 (Being app. money transferred)

Share allotment a/c Dr. 20,00,000  
 To share Capital a/c 15,00,000  
 To share security premium 5,00,000  
 (Being allotment money due)

Bank a/c Dr. 17,00,000  
 To Share allotment a/c 17,00,000  
 (Being allotment money received)

Share 1<sup>st</sup> call a/c Dr. 10,00,000 -  
 To share Capital a/c - 10,00,000  
 (Being first call money due)

Bank a/c Dr. 9,90,000 -  
 To share 1<sup>st</sup> call a/c - 9,90,000  
 (Being 1<sup>st</sup> call money received)

Share Final call a/c Dr. 15,00,000 -  
 To share capital a/c - 15,00,000  
 (Being final call money due)

Bank a/c Dr. 14,82,000 -  
 To share final call a/c - 14,82,000  
 (Being final call money received)

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Share applied	Share allotted	Application Money received	Actual Money	Adjust. allotted	Adjustment call	Refund
10,000	—	30,000	—	—	—	30,000
20,000	10,000	60,000	30,000	20,000	10,000	—
10,000	10,000	30,000	30,000	—	60,000	—
10,000	30,000	2,10,000	90,000	20,000	—	—
<u>50,000</u>	<u>50,000</u>	<u>3,30,000</u>	<u>1,50,000</u>	<u>1,80,000</u>	<u>70,000</u>	<u>30,000</u>

Bank a/c Dr. 3,30,000 -  
 To share application a/c - 3,30,000  
 (Being app. money received)

Share app. a/c	Dr.	3,30,000	—
To share Capital a/c		—	1,50,000
To share allotment		—	80,000
To share calls a/c		—	70,000
To Bank a/c		—	30,000

(Being app. money ~~recd~~ transferred)

Share allotment a/c	Dr.	1,00,000	—
To share Capital a/c		—	1,00,000

(Being allotment money due)

Bank a/c	Dr.	20,000	—
To Share allotment a/c		—	20,000

(Being allotment money received).

Share 1 <sup>st</sup> & final call a/c	Dr.	2,50,000	—
To share capital a/c		—	2,50,000

(Being share 1<sup>st</sup> & final call money due)

Bank a/c	Dr.	1,80,000	—
To share 1 <sup>st</sup> & final call		—	1,80,000

(Being 1<sup>st</sup> and final call money received).

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Share applied	Share allotted	App. Money received	Actual Money	Adjust. allotted	Adj. allotment Calls	Refused
26000	26000	52000	52000	—	—	—
18000	4000	36000	8000	12000	16000	—
6000	—	12000	—	—	—	—
50000	30,000	1,00,000	60,000	12000	16000	12000
						12000

Bank a/c Dr. 1,00,000  
 To share application a/c —  
 (Being app. money received) 1,00,000

Share app. a/c Dr. 1,00,000  
 To share capital a/c — 60,000  
 To share allotment a/c — 12,000  
 To share 1<sup>st</sup> calls a/c — 10,000  
 To share final call — 6,000  
 To Bank a/c — 12,000  
 (Being app. money transferred)

Share allotment a/c Dr. 90,000  
 To share capital a/c — 90,000  
 (Being allotment money due)

Bank a/c Dr. 78,000  
 To share allotment a/c — 78,000  
 (Being allotment money received)

Share 1st call a/c Dr. 75,000 -  
 To Share Capital a/c - 75,000  
 (Being 1st call money due)

Bank a/c Dr. 65,000  
 calls-in-advance a/c Dr. 10,000  
 To Share 1st call a/c - 75,000  
 (Being 1st call money received)

Share Final call a/c Dr. 75,000 -  
 To Share Capital a/c - 75,000  
 (Being final call money due)

Bank a/c Dr. 69,000  
 calls-in-advance a/c Dr. 6,000  
 To Share final call a/c - 75,000  
 (Being final call money received)

Interest-on-calls-in-advance a/c Dr.  
 To Bank a/c  
 (Being interest on calls in advance paid).

①  $10,000 \times \frac{12}{100} \times \frac{3}{12}$   $6,000 \times \frac{12}{100} \times \frac{8}{12}$   
 $= 100 \times 3$   $= 60 \times 8$   
 $= 300$   $= 480$   
 $300 + 480$   
 $= 780$



30,000

Ill-20

Share applied	Share allotted	App. money received	Actual money	adjust. allotted	adjust. Ad. calls	Refund
45,000	45,000	90,000	90,000	-	-	-
20,000	5,000	40,000	10,000	12,500	17,500	2,500
25,000	-	50,000	-	<del>12,500</del>	<del>17,500</del>	50,000
<u>90,000</u>	<u>50,000</u>	<u>1,80,000</u>	<u>1,00,000</u>			<u>50,000</u>

Bank a/c Dr. 1,80,000 -  
 To Share application - 1,80,000  
 (Being share app. money received)

Share application a/c Dr. 1,80,000 -  
 To Share Capital a/c - 1,00,000  
 To Share allotment - 12,500  
 To share 1st call - 15,000  
 To Bank a/c Final call - 2,500  
 To Bank a/c - 50,000  
 (Being app. money transferred)

Share allotment  
 Bank a/c Dr. 1,25,000 -  
 To Share Capital a/c - 1,25,000  
 (Being allotment money due)

Bank a/c Dr. 1,40,000 -  
 To share allotment a/c - 112,500  
 To calls-in-advance a/c - 27,500  
 (Being allotment money received)

Share 1 <sup>st</sup> call a/c	Dr.	1,50,000	-
To share capital a/c (Being 1 <sup>st</sup> call money due)		-	1,50,000
Bank a/c	Dr.	1,20,000	-
calls-in-advance a/c (15000+15000)	Dr.	30,000	-
To share 1 <sup>st</sup> call a/c (Being 1 <sup>st</sup> call money received)		-	1,50,000
Share final call a/c	Dr.	1,25,000	-
To Share capital a/c (Being final call money due)		-	1,25,000
Bank a/c	Dr.	11,000	-
calls-in-advance a/c	Dr.	15,000	-
To share final call a/c (Being final call money received)		-	1,25,000
Interest on calls-in-advance a/c	Dr.	1,000	-
To Bank a/c (Being interest on calls-in-advance paid)		-	1,000

3750

$$15000 \times \frac{10}{100} \times \frac{8}{12 \times 4}$$

= 375.

$$12500 \times \frac{10}{100} \times \frac{8}{12 \times 4}$$

= 625.

$$= 625 + 375$$

$$= 1000$$