

VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 6.9.2020

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Accounting for Share Capital

Illustration 5

Unique Pictures Ltd. was registered with an authorised capital of Rs. 5,00,000 divided into 20,000, 5% preference shares of Rs. 10 each and 30,000 equity shares of Rs. 10 each. The company issued 10,000 preference and 15,000 equity shares for public subscription. Calls on shares were made as under :

	Equity Shares (Rs.)	Preference Shares (Rs.)
Application	2	2
Allotment	3	3
First Call	2.50	2.50
Second and Final Call	2.50	2.50

All these shares were fully subscribed. All the dues were received except the second and final call on 100 equity shares and on 200 preference shares. Record these transactions in journal. You are also required to prepare the cash book and balance sheet.

Solution

Books of Unique Pictures Limited Journal

Date	Particulars	L.F.	Debit Amount (Rs.)	Credit Amount (Rs.)
	Equity Share Application A/c Dr.		30,000	
	5% Preference Share Application A/c Dr.		20,000	
	To Equity Share Capital A/c			30,000
	To 5% Preference Share Capital A/c			20,000
	(Transfer of application money)			
	Equity Share Allotment A/c Dr.		45,000	
	5% Preference Share Allotment A/c Dr.		30,000	
	To Equity Share Capital A/c			45,000
	To 5% Preference Share Capital A/c			30,000
	(Amount due on allotment)			
	Equity Share First Call A/c Dr.		37,500	
	5% Preference Share First Call A/c Dr.		25,000	
	To Equity Share Capital A/c			37,500
	To 5% Preference Share Capital A/c			25,000
	(First call money due)			
	Call-in-Arrears A/c Dr.		750	
	To Equity Share Second and Final Call A/c			250
	To 5% Preference Share Final Call A/c			500
	(For Calls-in-Arrears)			

Cash Book (Bank Column)

Dr.

Cr.

Date	Particulars	L.F.	Amount (Rs.)	Date	Particulars	L.F.	Amount (Rs.)
	Equity Share Application		30,000		Bal. c/d		2,49,250
	5% Preference Share Application		20,000				
	Equity Share Allotment		45,000				
	5% Preference Share Allotment		30,000				
	Equity Share First Call		37,500				
	5% Preference Share First Call		25,000				
	Equity Share IInd & Final Call		37,250				
	5% Preference Share IInd & Final Call		24,500				
			<u>2,49,250</u>				<u>2,49,250</u>

Balance Sheet of Unique Pictures as on

<i>Liabilities</i>		Amount (Rs.)	<i>Assets</i>	Amount (Rs.)
<i>Authorised Capital</i>			Bank	2,49,250
30,000 equity shares of Rs.10 each	3,00,000			
20,000, 5% preference shares of Rs.10 each	<u>2,00,000</u>	<u>5,00,000</u>		
<i>Issued Capital</i>				
15,000 equity shares of Rs.10 each	1,50,000			
10,000, 5% preference shares of Rs.10 each	<u>1,00,000</u>	<u>2,50,000</u>		
<i>Paid-up Capital</i>				
15,000; equity share of Rs.10 each	1,50,000			
10,000, 5% preference share of Rs.10 each	<u>1,00,000</u>	<u>2,50,000</u>		
<i>Less : Calls in arrears :</i>				
equity shares 250				
preference shares <u>500</u>	<u>750</u>	2,49,250		
		<u>2,49,250</u>		<u>2,49,250</u>