



DEPARTMENT OF COMMERCE

Gram Bharti College, Ramgarh- 821110

KAIMUR (BIHAR)

(A Constituent unit of V.K.S. University, Ara)

Ref. B. Com II (HONS) IIIrd paper Date 28.04.2020
 Subject - Specialised Accounting (SA)

TOPIC - ISSUE OF SHARES

Share Issued at Par

Illustration 1

By Dr. S.M. Shukla
 Sahitya Bhawan Publication

Analysis table of 2000 Equity Shares @ ₹10 each

Calls		Due	Received	
Application @ ₹2		40000	40000	
Allotment @ ₹3		60000	60000	
Call I @ ₹3		60000	60000	
Call II Final @ ₹2		40000	40000	

Date	Particulars	L.F.	Amount ₹	Amount ₹
	Bank A/c To Equity Share Application A/c (Being App. money received on 20,000 equity shares @ ₹2 each)	Dr.	40000	40000
	Equity Share App. A/c To Equity Share Cap. A/c (Being App. money transferred to Share Capital A/c)	Dr.	40000	40000
	Equity Share Allotment A/c To Equity Share Cap. A/c (Being share all. money due on 20,000 shares @ ₹3 each)	Dr.	60000	60000
	Bank A/c To Equity Share All. A/c (Being allotment money received on 20,000 shares @ ₹3 each)	Dr.	60000	60000
	Equity Share First Call A/c To Share Cap. A/c (Being first call money due on 20,000 shares @ ₹3 each)	Dr.	60000	60000
	Bank A/c To Equity Share First Call A/c (Being first call money received on 20,000 shares @ ₹3 each)	Dr.	60000	60000
	Equity Share Final Call A/c To Equity Share Cap. A/c (Being final call money due on 20,000 shares @ ₹2 each)	Dr.	40000	40000
	Bank A/c To Equity Share Final Call A/c (Being call money received on 20,000 shares @ ₹2 each)	Dr.	40000	40000

Balance Sheet of Ganesh Electronics Ltd.
particulars Note 1

Amount
₹

I. Equity and Liabilities	1	200 000
I. Shareholders fund		
Share Capital		200 000
Total		
II Assets		
I Current Assets	2	2,00,000
Cash & Cash Equivalents		200 000

Notes to Accounts

Particulars	Amount ₹
1. Share Capital	
Authorized ^{share} Capital	
20000 shares of ₹ 10 each	200 000
Issued, subscribed & paid up share Capital	200 000
20000 shares of ₹ 10 each	
2. Cash and Cash Equivalents	
Cash at Bank	200 000



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Date

Shares Issued at ~~Discount~~ premium

Illustration 3

By. Dr. S.M. Shukla
Sahitya Bhawan pub.

Solution

A.T. of 10,000 Shares @ ₹ 10

calls	Due	Received
Application @ ₹ 2	20000	20000
Allotment @ ₹ 2+3	20000+30000	50000
First Call } @ ₹ 6 Final Call }	60000	60000

Journal Entries in the Books of Durga Com. Co.

Date	particulars	L.F	Amount ₹	Amount ₹
	Equity share Capital Application A/c Dr. To Equity share Cap. A/c (Being transfer of share App. money on 10000 shares Cap. A/c)		20000	20000
	Equity Share Allotment A/c Dr. To Equity share Cap. A/c Securities premium A/c (Being Allotment money with premium due on 10000 shares)		50000	20000 30000
	Equity Shares First & Final Call A/c Dr. To Equity Share Cap. A/c (Being First & Final call money due on 10000 shares)		60000	60000
	Securities premium A/c Dr. To Share Issue Expenses A/c (Being Share Issue Expenses written off as per Rule)		3000	3000

Cash Book

Date	Particulars	Amount ₹	Date	Particulars	Amount ₹
	To share APP AIL	20000		By share Issue	3000
	" share All AIL	50000		Exps. AIL	127000
	" share First & Final Call AIL	60000		By Balance b/d	130000
		130000			
	To Balance b/d	127000			

Balance sheet of Durga Company (as at ...)

Particulars	Note No.	₹
I Shareholder's Fund		
(a) Share Capital	1	100000
(b) Reserves & Surplus	2	27000
Total		127000
II Assets		
I current Assets		
cash and cash equivalents		1,27,000
		127000
Notes & Accounts		
Particulars		₹
I Share Capital		
Authorized Cap. Share Cap.		100000
10000 shares of ₹ 10 each		
Issued, Called up & paid up Share Capital		100000
10000 equity shares of ₹ 10 each		100000