

BAL BHARATI PUBLIC SCHOOL
Ganga Ram Hospital Marg, New Delhi-60

CLASS –XII
ASSIGNMENT- 7

SUBJECT – ACCOUNTANCY
TOPIC – COMPANY ACCOUNTS (SHARES)

Q 1 Differentiate between 'Reserve capital' & 'Capital reserve'.

Q 2 What is meant by :

- Unlimited liability ; Minimum subscription ; Forfeiture of shares ; Calls in arrears ; Calls in advance

Q 3 What is the minimum price at which a company can re-issue its shares. Explain taking an illustration.

Q 4 A company wants to purchase building from its securities premium amount. Can it do so? Give reasons in support of your answer.

Q 5 Journalise the following:

- A co. forfeited 100 shares of Rs 10 each Rs 8 called up for non payment of call of Rs 3. Of these 70 shares were re-issued at Rs 6 Rs 8 called up.
- A co. forfeited 50 shares of Rs 10 each issued at a premium of Rs 2 for payment of only application money of Rs 2. Of these 30 shares were re-issued at Rs 11 fully called up.
- A co. forfeited 100 shares of Rs 10 each issued at a discount of Re 1 for non payment of first call of Rs 2 & final call of Rs 3. Of these 30 shares were re-issued at Rs 12 fully called up : 40 shares were re-issued at Rs 7 fully called up.

Q 6 Is calls in advance part of company's share capital?

Q 7 A co. issued 15000 fully paid up equity shares of Rs 100 each for the purchase of the following assets & liabilities from Gupta Brothers: Plant Rs 3,50,000 ; Land & building Rs 6,00,000 ; Stock in trade Rs 4,50,000 ; Sundry creditors Rs 1,00,000. Pass the necessary journal entry.

Q 8 X Ltd. issued equity shares of Rs 10 each at a premium of 2.50 per share. The amount was payable as follows:

On application-Rs 2; On allotment -Rs 4.50 ; On call-Rs 6

Owing to heavy subscription the allotment was made on pro-rata basis as follows:

- (a) Applicants for 20000 shares were allotted 10000 shares
- (b) Applicants for 56000 shares were allotted 14000 shares

(c) Applicants for 48000 shares were allotted 16000 shares

It was decided that excess amount received on applications would be utilized on allotment and the surplus would be refunded.

Ram to whom 1000 shares were allotted , who belong to category 'a' failed to pay the allotment money. His shares were forfeited after the call. Pass the necessary journal entries.

Q 9 C Ltd forfeited 1000 shares of Rs 100 each issued at a discount of 8% on these shares the first call of Rs 30 per share was not received and the final call of Rs 20 per share was yet to be called. These shares were subsequently re-issued at Rs 70 per share Rs 80 paid up.

Q 10 L Ltd forfeited 470 equity shares of Rs 10 each issued at a premium of Rs 5 per share for non payment of allotment money of Rs 8 per share(including share premium Rs 5 per share) and the first 7 final call of Rs 5 per share. Out of these 60 equity shares were subsequently re-issued at Rs 14 per share.