

Problem No. 2

At premium

Sury Ltd. having an authorised capital of 6000 shares of Rs. 100 each. issued 5000 shares at Rs. 110. The Applications received for 5500 shares. The Amt. were called as

Application money - Rs. 20 Allotment Rs. 30 (including premium)

1st call Rs. 10 second call Rs. 25 final call Rs. 25

The Directors refunded the excess Application money. All the Amts. were received except the following.

Mr. A holding 100 shares did not pay second & final call money.

Mr. B holding 150 shares did not pay final call money.

Pass Necessary Journal entries in the Books of Sury Ltd.

Problem No. 2 – Solution

Journal of Suraj Ltd.

Date	Particular	L.F	Debit Rs.	Credit Rs.
1	Cash A/C Dr. (5500×20) To Share Application A/C (Being Application money received for 5500 Shares)		1,10,000	1,10,000
2	Share Application A/C Dr. (5000×20) To Equity share Capital A/C (Being Application money on 5000 shares trd. to equity share Capital a/c)		1,00,000	1,00,000
3	Share Allotment A/C Dr. (5000×30) To Equity share Capital A/C (5000×20) To share Premium A/C (5000×10) (Being share Allotment money due on 5000 Shares with premium of Rs. 10 per share)		1,50,000	1,00,000 50,000

Date	Particular	L.F	Debit Rs.	Credit Rs.
4	Share Application A/C Dr. (500×20) To Cash A/C (Being excess Application money refunded)		10,000	10,000
5	Cash A/C Dr. To Share Allotment A/C (Being Allotment money received)		1,50,000	1,50,000
6	Share First call A/C Dr. To Equity share Capital A/C (Being share First call money due on 5000 Shares)		50,000	50,000
7	Cash A/C Dr. To Share First call A/C (Being First call money received)		50,000	50,000

Date	Particular	L.F	Debit Rs.	Credit Rs.
8	Share Second call A/C Dr. To Equity share Capital A/C (Being share second call money due on 5000 Shares)		1,25,000	1,25,000
9	Cash A/C Dr. (4900×25) To Share Second call A/C (Being Second call money received on 4900 shares & Mr. A Failed to pay on his 100 Shares)		1,22,500	1,22,500
10	Share Final call A/C Dr. To Equity share Capital A/C (Being share Final call money due on 5000 Shares)		1,25,000	1,25,000
11	Cash A/C Dr. (4750×25) To Share Final call A/C (Being Final call money received excepting 100 Shares of A & 150 shares of B)		1,18,750	1,18,750

Thank You