

Financial Account.
T.D.C. Part I
B.com.

by Dr. S.N. Pathan
Dept of Commerce
R.N.C., Hajipur.

Question.

A company invited applications for 1000, 6% Preference share of 100 each, payable as follows:
on Application 20%, on Allotment 30%,
on First and Final call 50%.

All the shares were subscribed and Full Paid. Pass Journal entries in the ~~Cash book~~ books of Company and also open cash book and Balance sheet.

50/4 fig. 2000

Date	Particulars	L.F.	Dr.	Cr.
	6% Preference share application fee Dr To Preference share capital.		20000	20000
	CBuy Pref share application money transfer to share capital			
	Preference share allotment moneys Dr To Preference share capital		30000	30000
	CBuy allotment money due			
	Preference share first & final call Dr To Preference share capital		50000	50000
	CBuy first & final call money on 1000 shares @ 50 each			

Cash Book with Bank column

To Pref share application	20000	By Balance c/d	100000
" Pref share allotment	30000		
" Pref share first & final call	50000		
	<u>100000</u>		<u>100000</u>

Balances sheet.

1. Particulars		
Equity & liability		100000
Share holders fund		<u>100000</u>
2. Assets		
Current assets		
Cash and cash equivalents		<u>100000</u>
		<u>100000</u>