



Q4. Rupak Ltd. issued 10,000 shares of Rs.100 each payable Rs.20 per share on application, Rs.30 per share on allotment and balance in two calls of Rs.25 per share. The application and allotment money were duly received. On first call all member pays their dues except one member holding 200 shares, while another member holding 500 shares paid for the balance due in full. Final call was not made. Give journal entries and prepare cash book.

Solution:

#### Journal Entries

Date	Particulars	LF	Amt. (Dr)	Amt. (Cr)
(i)	Share Application A/c Dr To Share Capital A/c (10,000×20) (Being application money for 10,000 shares transferred to share capital account)		2,00,000	2,00,000
(ii)	Share Allotment A/c Dr To Share Capital A/c (10,000×30) (Being allotment money due on 10,000 shares @ ₹ 30 per share)		3,00,000	3,00,000
(iii)	Share First Call A/c Dr To Share Capital A/c (10,000×25) (Being share first call due on 10,000 shares @ ₹ 25 per share)		2,50,000	2,50,000
(iv)	Call-in-Arrears A/c (200×25) Dr To Share First Call A/c (Being call-in-arrears on 200 shares @ ₹ 25 per share)		5,000	5,000

Dr				Cash Book (Bank Column)				C	
Date	Particulars	JF	Amt. (₹)	Date	Particulars	JF	Amt. (₹)		
	To Share Application		2,00,000						
	To Share Allotment		3,00,000						
	To Share First Call		2,45,000		By Balance c/d		7,57,500		
	To Calls in Advance		12,500						
			7,57,500				7,57,500		

#### Working Note

Money due on first call for 10,000 shares @ 25 each	2,50,000
(-) Calls-in-arrears for 200 shares @ ₹ 25 per share	(5,000)
Money received on first call	2,45,000
(+) Calls received in advance on 500 shares @ ₹ 25 per share	12,500
Total money received on first call	2,57,500

**Note** It is not necessary to open call-in-arrears account.

\*\*\*\*\* END \*\*\*\*\*