



Q11. Naman Ltd issued 20,000 shares of Rs.100 each, payable Rs.25 on application, Rs.30 on allotment, Rs.25 on first call and The balance on final call. All money duly received except Anubha, who holding 200 shares did not pay allotment and calls money and Kumkum, who holding 100 shares did not pay both the calls. The directors forfeited shares of Anubha and Kumkum. Give journal entries.

Books of Naman Ltd
Journal

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Bank A/c To Share Application A/c (Being Share Application money received on application for 20,000 shares @ Rs.25 each)	Dr.	5,00,000	5,00,000
	Share Application A/c To Share Capital A/c (Being share application money of 20,000 shares @ Rs.25 each transferred to Share Capital Account)	Dr.	5,00,000	5,00,000
	Share Allotment A/c To Share Capital A/c (Being share allotment money due on 20,000 share @ Rs.30 each)	Dr.	6,00,000	6,00,000
	Bank A/c To Share Allotment A/c (Being allotment money received for 19,800 shares @ Rs.30 per share)	Dr.	5,94,000	5,94,000
	Share First Call A/c To Share Capital A/c (Being first call money due on 20,000 share @ Rs.25 per share)	Dr.	5,00,000	5,00,000
	Bank A/c To Share First call A/c (Being first call received @ Rs.25 per share for 19,700 shares)	Dr.	4,92,500	4,92,500
	Share Final call A/c To Share Capital A/c (Being final call money due on 20,000 shares @ 20 per share)	Dr.	4,00,000	4,00,000
	Bank A/c To Share Final call A/c (Being final call received @ Rs.20 per share for 19,700 share and 300 share failed to pay the call)	Dr.	3,94,000	3,94,000
	Share Capital A/c To Share Forfeiture A/c (200×25+100×55) To Share Allotment A/c (200×30) To Share First call A/c (300×25) To Share Final call A/c (300×20) (Being 300 share Forfeited)	Dr.	30,000	10,500 6,000 7,500 6,000

Alternatively, it can be solved by debiting calls in Arrears Account

Books of Naman Ltd
Journal

Date	Particulars	L.F.	Debit Rs.	Credit Rs.
	Bank A/c To Share Application A/c (Being Share Application money received on application for 20,000 shares @ Rs. 25 each)	Dr.	5,00,000	5,00,000
	Share Application A/c To Share Capital A/c (Being share application money of 20,000 shares @ Rs. 25 each transferred to Share Capital Account)	Dr.	5,00,000	5,00,000
	Share Allotment A/c To Share Capital A/c (Being share allotment money due on 20,000 share @ Rs.30 each)	Dr.	6,00,000	6,00,000
	Bank A/c Call in Arrears A/c To Share Allotment A/c (Being allotment money received for 19,800 share @ Rs.30 per share and 200 share failed to pay the allotment)	Dr. Dr.	5,94,000 6,000	6,00,000
	Share First Call A/c To Share Capital A/c (Being first call money due on 20,000 shares @ Rs.25 per share)	Dr.	5,00,000	5,00,000
	Bank A/c Call in Arrears A/c To Share First call A/c (Being first call money for 19,700 shares @ Rs.25 each received except 300 share)	Dr. Dr.	4,92,500 7,500	5,00,000
	Share Final call A/c To Share Capital A/c (Being share final call money due on 20,000 shares @ Rs.20 per share)	Dr.	4,00,000	4,00,000
	Bank A/c Calls in Arrears A/c To Share Final call A/c (Being share final call money received for 19,700 share @Rs.20 per share except 300 shares)	Dr. Dr.	3,94,000 6,000	4,00,000
	Share Capital A/c To Share Forfeiture A/c (200×25+100×55) To Calls in Arrears A/c (Being 300 shares forfeited on account failed to pay the money due)	Dr.	30,000	10,500 19,500

Working Note:

1. Forfeited Amount

Amount on application (300 share @Rs.25 each)	7,500
Amount on allotment (100 share @Rs.30 each)	3,000
	10,500

***** END *****