

Specialised Accounts

B. Com Part II

By

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Question.

Welcome Limited forfeited 500 equity shares of 10 each, 7.50 paid, for non-payment of final call of 2.50 per share. Out of these, 400 shares were re-issued for ₹ 6 per share. Pass necessary journal entries.

			Dr Amount	Cr Amount
Ans.	Particulars.	L/A		
date	Equity share Capital ac 500 x 10		5000	
	to Forfeited share " equity share final call.			3750 1250
	CB Resv share forfeited acc to Non payment of final call.			
	Bank ac dr Share forfeited a dr to Equity share Capital ac. 400 x 10		2400 1600	
	CB Resv share. (Re-issued)			4000
	Share forfeited a dr to Capital Reserve		1400	
	CB Resv Capital Reserve (Provision of out of forfeiture)			1400

