

Sovarani Memorial College
Internal Assessment - 2021
Semester V, B.Com. (General)
Corporate Accounting

Full Marks: 10

Time: 45 Minutes

Answer Any one Question

1. Rolta Ltd. issued 3,000 equity Shares of £10 each payable as £3 per share on application, £5 per share (including premium £2) on allotment and £4 per share on call. All the shares were subscribed for and fully called up. Money due on the Shares were received in full, subject to the exception that Ram, a holder of 50 shares, failed to pay the allotment and call money and Shyam, a holder of 100 shares, failed to pay the call money. All these shares were forfeited and subsequently re-issued @ £8 per share. Pass necessary journal entries in the books of the Company.
2. A Company had issued 10,000, 8% Preference Shares of £10 each which were due for redemption at a premium of 10%. The Directors decided to use for the redemption £50,000 from General Reserve A/c, £30,000 from the Profit and Loss A/c, and to provide the balance required by the issue of equity Shares of £10 each at par, payable in full on application. Pass the necessary journal entries in the books of the Company.