

Disclosure of Share Capital in Company's Balance Sheet

1. Hari Aggarbatti Ltd. was registered with capital of 50,00,000 divided into 5,00,000 equity shares of ₹10 each. It issued 1,00,000 equity shares to public for subscription. The shares were subscribed and calls made were received.

Prepare balance sheet of the company showing share capital.

Solution-

Hari Aggarbatti Ltd. **Balance sheet**

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		10,00,000
Share Capital		

Note of account

Particular	₹
1. Share capital	
Issued of capital 5,00,000 equity shares of ₹10 each [out of the above, 1,50,000 equity shares are issued to public]	<u>50,00,000</u>
Subscribed capital Subscribed and fully paid up 1,00,000 equity shares of ₹ 10 each	<u>10,00,000</u>

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2. Farm products Ltd. Has authorized share capital of ₹ 5,00,000 divided into 5,00,000 Equity shares of ₹ 10 each. It has existing and paid-up capital of 5,00,000. It further issued to public 1,50,000 equity shares at par for subscription payable as under:

On Application	₹ 3,
On Allotment	₹ 4,
On Call	Balance Amount.

The issue was fully subscribed and allotment was made to all the applicants. Call was made during the year and was duly received. Show Share Capital in the Balance Sheet of the company.

Solution:

Farm products Ltd. Balance Sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		20,00,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	<u>50,00,000</u>

50,00,000 equity shares of ₹ 10 each	<u>50,00,000</u>
Issued of capital	
2,00,000 equity shares of ₹10 each	<u>20,00,000</u>
[out of the above, 1,50,000 equity shares are issued to public]	<u>20,00,000</u>
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Subscribed capital	<u>20,00,000</u>
Subscribed and fully paid up	
2,00,000 equity shares of ₹ 10 each	
[out of the above 1,50,000 equity share are issued to public]	

3. Sunstar Ltd. has an authorized capital of 20,00,000 divided in to equity shares of 10 each. The company invited applications, for issuing of 60,000 shares. Application were received for 58,000 shares.

All calls were made and were duly received except the final call of 3 per share on 2,000 shares. These share were forfeited.

Present the 'share capital' in the balance sheet of the company as per schedule III, part I of the companies Act, 2013. Also 'Notes to Accounts' for the same.

Solution

Balance sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		5,74,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	<u>20,00,000</u>
20,00,00 equity shares of ₹ 10 each	<u>50,00,000</u>
Issued of capital	
60,000 equity shares of ₹10 each	<u>600,000</u>
Subscribed capital	<u>600,000</u>
Subscribed and fully paid up	560,000
56,000 equity shares of ₹ 10 each	<u>14000</u>
Add	
Forfeited share(2000x7)	<u>574,000</u>

4. Global Trade Ltd. Has authorized share capital of ₹ 1,00,00,000 divided into equity shares of ₹ 100 each. It has existing issued and paid-up capital of ₹ 25,00,000. It further issued to public 25,000 equity shares at a premium of 20% for subscription payable as under:

On Application	₹ 30
On Allotment	₹ 60
On Call	Balance Amount.

The issue was fully subscribed and allotment was made to all the applicants. The company did not makes the call during the year. Show Share Capital in the Balance Sheet of the company.

Solution: Global Trade Ltd. Balance Sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		
Share Capital		42,50,000

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	<u>10,00,000</u>
1,00,000 equity shares of ₹ 100 each	
Issued of capital	<u>50,00,000</u>
50,000 equity shares of ₹100 each	
Subscribed capital	<u>25,00,000</u>
Subscribed and fully paid up	
25,000 equity shares of ₹ 100 each	<u>17,50,000</u>
Subscribed and fully paid up	<u>42,50,000</u>
25,000 equity shares of ₹ 100 each	

5. Star Ltd. Is registered with capital of ₹ 50,00,000 divided to 50,000 equity shares of ₹ 100 each. The company issued 25,000 equity shares for subscription. Subscription was received for 23,750 shares and all the due amount was duly received, except the first and final call of ₹ 20 per share on 600 shares. Show the 'share capital' in the Balance Sheet of the company.

Solution:

Star Ltd. Balance Sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		23,63,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	<u>50,00,000</u>
50,000 equity shares of ₹ 100 each	
Issued of capital	<u>25,00,000</u>
25,000 equity shares of ₹100 each	
Subscribed capital	
Subscribed and fully paid up	<u>23,15,000</u>
23,150 equity shares of ₹ 100 each	
Subscribed and not fully paid up	
600 equity shares of ₹ 100 each	60,000
Less calls in arrear (600x20)(12,000)	<u>48,000</u>
	23,63,000

6. Grand Hotel Ltd. had authorized capital of 50,00,000 divided into 50,000 Equity shares of 100 each. It issued 10,000 equity shares to public for subscription on the following terms:

On Application **40 per share**

On Allotment **30 per share**

Balance on first and final call.

Share were fully subscribed and amounts called were duly received. First and final call was not yet made. Prepare balance Sheet of the company showing share capital.

Balance sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		700,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	<u>50,00,000</u>
50,000 equity shares of ₹ 100 each	
Issued of capital	
10,000 equity shares of ₹100 each	<u>10,00,000</u>

Subscribed capital	<u>700,000</u>
Subscribed and fully paid up	
10,000 equity shares of ₹ 70 each	

7. Altaur Ltd. Was registered with an authorized capital of 4,00,00,000 divided in 25,00,000 equity shares of ₹ 10 each and 1,50,000 9% preference shares of ₹100 each. The company issued 8,00,000 equity shares for public subscription at 20% premium, payable ₹ 3 on application; ₹ 7 on allotment [including premium] and balance on call. Public had applied for 10,00,000 shares. Excess application were sent letters of regret. All the dues on allotment were received except on 15,000 shares held by Sanju. Another shareholder Rocky paid his call dues along with allotment on his holding of 25,000 shares. You are required to prepare the Balance Sheet of the company as per Schedule III of Companies Act, 2013, showing share capital balance and also prepare Notes to Accounts.

Solution:

Alter Ltd. Balance Sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		63,25,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	
50,000 equity shares of ₹ 10 each	2,50,00,000
1,50,000, 9% preference shares of ₹ 100 each	1,50,00,000
	<u>4,00,00,000</u>
Issued of capital	<u>80,00,000</u>
8,00,000 equity shares of ₹10 each	
Subscribed capital	
Subscribed and fully paid up	
23,150 equity shares of ₹ 100 each	
Subscribed capital	
Subscribed and not fully paid up	<u>63,25000</u>

8,00,000 equity shares of ₹ 8 each	64,00,000	63,25,000
Less calls in arrear (15000x5)	<u>(75,000)</u>	

Discloser of sharecapital in the balance sheet with call in arrears and call in advance

8. Fragrances Ltd. was registered with capital of 5,00,000 divided into 50,000 equity share of 10 each. It issued 20,000 equity shares to public for subscription. The shares were subscribed and calls were made and received except first and final call of 2 on 500 shares held by varun.

Prepare balance sheet of company showing share capital.

Balance sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		1,95,000

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	
50,000 equity shares of ₹ 10 each	<u>500,000</u>

Issued of capital		<u>200,000</u>
20,000 equity shares of ₹10 each		
Subscribed capital		
Subscribed and fully paid up		
195000 equity shares of ₹ 10 each		
		195000
Subscribe but not fully paidup		
500 share 10 each	5000	
less		
Call in arrear (500 x 2)	1000	
		4000

9. Red Roses Ltd. was registered with capital of 25,00,000 divided into 25,000 equity shares of 100 each. It issued 15,000 equity shares to public for subscription. The shares were subscribed and calls were made and received except allotment money of 40 on 100 shares held by parul and first and final call of 20 on 500 shares, including shares held by parul. Prepare balance sheet of the company showing share capital.

Balance sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		1,45,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	
25,000 equity shares of ₹ 100 each	<u>2500,000</u>
Issued of capital	<u>1500,000</u>
15,000 equity shares of ₹100 each	
Subscribed capital	
14500equity shares of ₹ 100 each	
Subscribed and fully paid up	1450000
Subscribe and not fully paid up	
500 share 100 each	50,000

less		
100 equity shares of ₹ 60 each	(6000)	
400 equity shares of ₹ 20 each	(8000)	
(call in arrear)		
		36000

10. East india hotels ltd. was registered with authorized capital of 25,00,000 divided into 2,50,000 equity shares of 10 each. It issued 1,50,000 equity share to public for subscription. The shares were subscribed and call were made and received. First and final call of 3 was not made. Paresh holder of 5,000 shares paid the call money along with the allotment money.
prepare balance sheet of the company showing share capital.

solution

Balance sheet

Particular	Note no.	₹
1. Equity and Liability		
Shareholder's Funds		1,05,000
Share Capital		

Note to Accounts

Particular	₹
1. Share capital	
Authorized capital	
250,000 equity shares of ₹ 10 each	<u>2500,000</u>
Issued of capital	<u>1500,000</u>
150,000 equity shares of ₹10 each	
Subscribed capital	
Subscribe but not fully paidup	
150,000equity shares of ₹ 7 each	
	<u>1050,000</u>
call in advance (5000X 3)	(15000)

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