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Q:1 ABC Ltd offered 60000 ordinary shares of Rs 20 each for public subscription as follow

Payable on Application 6.00

Payable on allotment 4.00

Payable on first call 5.00

Payable on second call 5.00

		Debit	credit
Aug1	Application money (ordinary)	360000	
	Ordinary share capital		360000
	Application invited for 6000 shares with 6/ application money per share		
Aug2	Cash at bank	420000	
	Application money ordinary		420000
	Application money received for 10000 ordinary shares		
Aug3	Application money ordinary	60000	

	Cash at bank		60000
Aug4	Allotment money ordinary	240000	
	Ordinary share capital		240000
Aug5	Cash at bank	240000	
	Allotment money ordinary		240000
	Due all allotment money received ordinary shares		

Q:2 Hassan Ltd was registered with 100000 ordinary shares of Rs 12 each it later offered 50000 shares for public subscription as follows

RS 4.00 on Application

Rs 3.00 on allotment

Rs 3.00 on first call

Rs 2.00 on second call

Application were received for only 40000 ordinary shares

Ans:2 authorized share capital

$$100000 * 12 = 1200000$$

Subscribed share capital

$$50000 * 12 = 600000$$

Issued share capital

$$40000 * 12 = 480000$$

Unissued share capital

$$10000 * 12 = 120000$$

Called up share capital

$$10 * 40000 = 400000$$

Uncalled shared capital

$$2 * 40000 = 80000$$

Calls in arrears

$$3 * 500 = 1500$$

Paid up share capital

$$400000 - 1500 = 398500$$

Q3(A) which kind of Investor are buying ordinary share and why?

Ans: An ordinary share represent equity ownership in a company proportionally with all other ordinary shareholders Investor who want for high return or go for ordinary share they are the people who risk taker Investor like that are interested in that because they want to take part on general business activities corporation like apple, Samsung also do business in ordinary share their reward are more than common share and because of high return is the main reason of Investor who do invest in ordinary share

1. Q3(B) can a company change its authorized capital later after incorporation if yes then how?

Ans: The registrar of companies require private limited companies owner percent companies and public limited companies to declare their capital structure at all time any time there is any change the registrar of companies need to know the detail will be recorded in the companies master data of MCA and be available for public to view the data

