

15 M - Profit Prior to Incorporation

format infg 2

XMB notes

TR	SR	After
1) Salaries 2) Rent & Taxes * 3) Gen exp 4) Misc exp 5) Insurance 6) Electricity chgs 7) Audit fee 8) Dep ⁿ 9) Repair 10) Interest 11) Postage Print & St 12) Other fxd exp	1) GP 2) Advertisement 3) Carriage Outwards 4) Commsn on Sale 5) Sales exp 6) Travel 7) Disc allowed 8) BD 9) Disc recd 10) Brokage 11) Other variable exp	1) Director fee 2) Debenture int 3) Preliminary / Formation exp 4) Disc on issue of sh & deb 5) GW written off 6) Actual exp

Issue of Shares - Common Entries

15 M - JE + Ledgers + B/s (pto)

		[# Sh x Appl ⁿ money]		
1.	Bank A/c ----- Dr To sh appl ⁿ A/c	xxx	xxx	Application
2.	sh appl ⁿ A/c ----- Dr To sh Cap A/c	xxx	xxx	
3.	sh All ^{nt} A/c ----- Dr To sh Cap A/c To sh Premium A/c			(if premium given) [In case of Disc: Disc A/c debited]
4.	Bank A/c ----- Dr To sh All ^{nt} A/c			
5.	sh First Call A/c ----- Dr To sh Cap A/c			First Call
6.	Bank A/c ----- Dr To sh First Call A/c			
7.	sh Final Call A/c ----- Dr To sh Cap A/c			Final Call
8.	Bank A/c ----- Dr To sh Final Call A/c			

Reject (Refund Entry)

Sh Applⁿ Alc ----- Dr xx
 To Bank Alc ----- Cr xx

T/F to Allotment Entry

Sh Applⁿ Alc ----- Dr xx
 To Sh Allotⁿ Alc ----- Cr xx

Ledgers format

Dr Bank Alc		Cr	
Particulars	Amt	Particulars	Amt
To Sh App ⁿ	xx	By bal b/d	xx
Sh Allot ⁿ	xx	App (refund)	xx
Sh IC	xx		
Sh FC	xx		
	<u>xxx</u>		<u>xxx</u>

Capital Alc			
Particulars	Amt	Particulars	Amt
To bal	xx	By Appl ⁿ Allot ⁿ	xx
		IC	xx
		FC	xx
		(Dis)	(xx)
	<u>xxx</u>		<u>xxx</u>

Dr Application Alc		Cr	
Particulars	Amt	Particulars	Amt
Sh Cap	xx	By Bank	xx
	xx		xx

Similar ↑ for Allotⁿ, IC, FC

Balance Sheet Format

Balance Sheet as on/ending

Particulars	Note	Amt
I) Equity & Lia		
1) Sh H fund		xx
a) Sh Cap	1	xx
b) R & S	2	xx
2) Current Lia	3	
Total Eq & Lia		xxx
II) Assets		
1) Non-Curr Assets		
2) Curr Assets		xxx
Cash & Cash Equi	3	
Total Assets		xxx

15M - Internal Reconstruction


Journal Entries (common)

① Eq, Sh Cap Alc ----- Dr
 Pref Sh Cap Alc ----- Dr
 To Cap Redⁿ Alc

② Debentures Alc ----- Dr
 To Cap Redⁿ Alc

③ Creditors Alc ----- Dr
 To Cap Redⁿ Alc

④ Cap Redⁿ Alc ----- Dr
 To P&L
 To GIW
 To Stock
 To Mach
 To Patents
 To Cap Reserve (if any)

B/S format for Internal Reconstruction 
 same format

Format of Stmt of UL

Particulars	A	B	C	T
GrL	xx	xx	xx	xx
Less Unmarked appl ⁿ	xx	xx	xx	xx
	xx	xx	xx	xx
Less Marked appl ⁿ	xx	xx	xx	xx
Net Lia	xx	xx	xx	xx

Format for Profit prior Incorporation

Particulars	Ratio	Prior	After	Total
GrP	xx	xx	xx	xx
	xx	xx	xx	xx
Expenses		xx	xx	xx
—		xx	xx	xx
—		xx	xx	xx
—		xx	xx	xx
—		xx	xx	xx
—		xx	xx	xx
Profit/Loss		xxx xx	xxx xx	xxx xx
Total		xxx	xxx	xxx

Common JE for Bonus Sh

- ① P&L Alc — — — Dr
Reserves Alc — — — Dr
 To Bonus To Sh-H Alc
- ② Bonus to Sh-H Alc — — — Dr
 To Sh Cap Alc