Dep miwa P Departin	nent of Education, Sabarag		vince/ Weekly School Department of Education,Sabara aragamuwa Province/ Weekly	gamuwa
Department of Education, Sabaragamuwa Subject-Accounting	C-11 Dtment of Education, Sabarag	nt of Education,Sabaragamuwa gamuwaProvince/Weekly Schoo vSchool Department of Education	week- August 2	nent of amuwa School
Education, Sabaragamuwa Province/ Weekly	eekly School Depart	Prepared by - Zonal Education Office,	,Rathnapura.	tment of gamuwa y School tment of
	School Department of Education, Sabarag	gamuwa Province/ Weekly School	Department of Education, Sabara	gamuwa

Competency 12.0 – Prepares Financial Statements for a Limited Company.

Competency Level 12.2 – Accounting records for issuing shares by collecting consideration at once.

Locahna PLC issued shares at a consideration of Rs. 60 on 01.01.2018 and collected al considerations at once.

Share holders Description	Existing share holders	Employees	Local Investors & other individuals	Foreigners	Total
Number of Shares applied for	50 000	200 000	300 000	50 000	
Number of shares allocated			100 000		
Rate of allocation	1:1	2:1		5:1	

Required:

	(i)	Journal entry for cash collection with applications.	
			Dr
			Cr
	(ii)	Journal entry for cash returned / refund	
			Dr
			Cr
	(iii)	Journal entry for capitalizaton	
			Dr
			_
(iv)	Di	nidu an employee received 5000 shares. How much h	e paid with application.
(v)	A	local investors received 3000 shares. How much is re	eturned to him?