

Pre-Content/content Post-Content	Learning Outcome/Objectives	
	General	Specific
<u>Pre-Content</u> Shares are issued at par, premium or discount, the share capital of a company as stated earlier, is collected in instalments to be paid at different stages. <u>Content</u> Share Capital of a company is collected by issuing shares to either a select group of persons through the route of private placements and/or offered to the Public for subscription. Thus, the issue of shares is basic to the capital of a company. Shares are issued either for cash or for consideration other than cash, the former being more common. <u>Post-content</u> Forfeiture means the cancellation of allotment due to breach of contract and to treat the amount already received on such shares as forfeited to the company. Once all the forfeited shares have been reissued, any credit balance on forfeited shares' account is transferred to Capital Reserve representing profit on forfeiture of shares.	Students will be able to ✓ Explain the basic nature of a joint stock company as a form of business organisation and the various kinds of companies based on liability of their members; ✓ Describe the types of shares issued by a company; ✓ Explain the accounting treatment of shares issued at par and at premium including over subscription; ✓ Outline the accounting for forfeiture of shares and reissue of forfeited shares under varying situations; and ✓ Workout the amounts to be transferred to capital reserve when forfeited Shares are reissued; and ✓ Prepare share forfeited account	Students will be able to ✓ Understand the meaning and features of the company ✓ Pass journal entries regarding issue of Equity shares and Preferences shares. ✓ Understand the accounting treatment of over-subscription, calls in arrears, premium on issues of shares. ✓ Calculate interest on Calls in arrears and Calls paid in advance. ✓ Prepare Cash Book and Balance sheet of a Company. ✓ Understand the meaning and features of forfeiture of shares. ✓ Pass journal entries regarding forfeiture and reissue of shares. ✓ Make accounting treatment of reissue of forfeiture of shares, earlier issued at par and premium ✓ Make accounting treatment of reissue of forfeited shares at different amount of paid up capital. ✓ Understand the disclosure of the Share Capital in the Balance Sheet.

Home Work /Assignments

Questions from the back exercise of NCERT Book will be discussed in the class and given as home task.

Assignment sheet is also given

Questions taken in the class will also be discussed and solved.

Teacher's Activity	Student's Activity	Teacher's Observation And Remedial
Teacher will guide students to recapitulate the meaning of equity shares and preference shares, according to the provisions of The Companies Act, 1956 and now 2013 amended as done by them in class XI. Teacher will explain to the students that when shares are issued for cash, the amount on them can be collected at one or more of the following stages: (i) Application for shares (ii) Allotment of shares (iii) Call/Calls on shares. The teacher will discuss the cases when shares of some companies are oversubscribed which means that applications for more shares are received than the number offered for subscription through the prospectus. Under such a condition, the alternatives available to the directors are as follows : (i) They can accept some applications in full and totally reject the others, (ii) A pro-rata distribution can be made by them, (iii) A combination of the above two alternatives can be adopted by them. The teacher will explain the precise accounting treatment of share forfeiture as it depends upon the conditions on which the shares have been issued — at par and premium Once all the forfeited shares have been reissued, any credit balance on forfeited shares' account is transferred to Capital Reserve representing profit on forfeiture of shares.	Students will understand the process of issue of shares at par and at premium. They will learn to pass the journal entries for the same Questions from Exercise on the accounting treatment of shares issued at par and at premium will be attempted by the students. They will understand the concept of over-subscription and under subscription and how to calculate Calls in arrears and Calls paid in advance. The students will learn how to calculate the number of shares issued and pass entries for issue of shares for consideration other than cash The students will analyse the issues and pass entries relating to forfeiture of shares and reissue of forfeited shares, earlier issued at par and at premium The students will practise questions on forfeiture and reissue of shares which were allotted on <i>Pro Rata</i>, and the transfer of the amount to capital reserve. Students will be able to built up their confidence and ability to tackle problems asked in CBSE examinations.	Teacher will write her observations after completion of the topic.

Teaching Aids : Active inspire, , Reference book

Methodology/Innovative Methods: Discussion, Recall, Explanation, Question-Answer method, problem solving

Interdisciplinary Links: Business Studies, Entrepreneurship and Mathematics