

BX LIMITED
JOURNAL

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Building A/c Dr.		3,00,000	
	Machinery A/c Dr.		2,00,000	
	Furniture A/c Dr.		30,000	
	Goodwill A/c Dr.		1,10,000	
	To Sundry Liabilities A/c			40,000
	To PQ & Co			6,00,000
	(Being Assets and Liabilities of PQ & Co. taken over)			
	PQ & Co Dr.		6,00,000	
	To 11% Debentures A/c			5,00,000
	To Securities Premium Reserve A/c			1,00,000
	(Being 5,000 11% Debentures issued at premium of 20%)			

Working Notes:

$$a) \text{ No. of Debentures to be issued} = \frac{6,00,000}{120} = 5,000$$