Problem No.1

1 **Illustration 3 :** Agony Ltd. went into voluntary liquidation on July 31, 2002 on which date its position was as follows :

Balance Sheet *as at 31st March, 2018*

Liabilities		Rs.	Assets	Rs.
Equity Share Capital 2,000 Shares of Rs. 100 each		2,00,000	Cash at Bank	1,700
Loans			Machinery	40,000
Secured by a Charge on Machinery	30,000		Furniture	10,000
Secured by a Floating Charge	20,000	50,000	Stock	1,00,000
Creditors (including Rs. 1,000 preferential)		1,51,000	Debtors	1,80,000
			Loans	5,000
			Profit & Loss A/c	64,300
		4,01,000		4,01,000

The secured creditors holding charge over machinery realised it for Rs. 35,000. Other assets realised at par except there were bad debts of Rs. 10,000 while loans of Rs. 5,000 fetched nothing. The liquidator's remuneration is 2% on assets realised by him.

Dr. Liquidator's Final Statement of Account Cr.

Particular / Receipts		Rs.	Particular / Receipts	Rs.
To Cash at Bank		1,700	By Legal expenses	-----
To **Assets Realised**			By Liquidator's Remuneration	
Furniture	10,000		2 % on 2,85,000 (Assets Realised)	5,700
Stock	1,00,000		By Liquidation expenses	-----
Debtors	1,70,000	2,80,000	By Preferential Creditors	1,000
To Surplus from Secured Creditors		5,000	By Creditors with floating charge	20,000
			By Unsecured Creditors	1,50,000
			By Preference Shareholder	-----
			By Equity Shareholder	
			(Rs. 55 Per Share)	1,10,000
		2,86,700		2,86,700

Thank u