

Problem No. 2

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Illustration 4 : Y Ltd., went into voluntary liquidation on 31st March, 2017 on which date its position was as follows.

Balance Sheet

as on 31st March, 2017

Liabilities	Rs.	Assets	Rs.
Equity Shares capital (4,000 shares of Rs. 100 each)	4,00,000	Cash at bank	3,400
Secured Creditors	1,00,000	Machinery	1,20,000
Creditors (including Rs. 2,000 Preferential)	3,02,000	Furniture	10,000
	8,02,000	Stock	1,80,000
		Debtors	3,60,000
		Profit & Loss A/c	1,28,600
			8,02,000

The secured creditors holding charge over Machinery realized by creditor for Rs. 1,10,000. Other assets were realized by Liquidator as follows.

Stock	Rs. 1,85,000
Furniture	Rs. 5,000
Debtors	Rs. 3,50,000

The expenses of liquidation amounted to Rs. 2,600 and the Liquidator's remuneration is 2% on assets realized by him.

Prepare Liquidator's Final Statement of Account.

(S.U., Nov. 2017, Modified)

Dr.**Liquidator's Final Statement of Account****Cr.**

Particular / Receipts	Rs.	Particular / Receipts	Rs.
To Cash at Bank	3,400	By Liquidator's Remuneration	
To Assets Realised		2 % on 5,50,000 (Assets Realised)	11,000
Furniture	5,000	By Liquidation expenses	2,600
Stock	1,85,000	By Preferential Creditors	2,000
Debtors	<u>3,50,000</u>	By Unsecured Creditors	3,00,000
To Surplus from Secured Creditors	10,000	By Equity Shareholder (Rs. 59.45 Per Share)	2,37,800
	<u>5,53,400</u>		<u>5,53,400</u>

Thank u