

Q-4 The Balance Sheet of Nandita Ltd. as at 31st March, 2017 was as under:

[15]

Liabilities	Rs.	Assets	Rs.
Share capital:		Land & building	200000
4000, 6% pref. shares of Rs.100 each	400000	Machinery	500000
2000, equity shares of Rs100 each, Rs75 paid	150000	Patents	80000
6000, equity shares of Rs100 each Rs60 paid	360000	Stocks	100000
5% debenture(having floating charges on all asstes)	200000	Debtors	230000
Interest outstanding on debentures	10000	Cash at bank	60000
Creditors	290000	Profit & loss A/c	200000
		Advertisement suspense A/c	40000
	1410000		1410000

The company liquidated on 1-4-2017. Creditors include a loan of Rs.100000 on mortgage of land & buildings. The assets were realized as follows:

	Rs.
Land & building	2,40,000
Machinery	4,00,000
Patents	60,000
Stocks	1,20,000
Debtors	1,60,000

The expenses of liquidation amounted to Rs. 21,800. The liquidator is entitled to a commission of 3% on all assets realized except cash and 2% on amounts distributed to unsecured creditors(including preferential creditors). Preferential creditors amounted to Rs,30,000 included in creditors. Prepare liquidator's final statement of account.

OR

Q-4 A.) The position of 'A' Ltd. on its liquidation is as under:

[10]

Issued & paid up capital:

3000 , 11% preference shares of Rs.100 each fully paid

3000 , Equity shares of Rs.100 each fully paid

1000 , Equity shares of Rs.50 each, Rs.30 per share paid.

Calls in Arrear are Rs.10,000 and cash received in advance

Rs.5000. Preference Dividends are in arrears for one year. Amount

left with the liquidator after discharging all liabilities is Rs.4,13,000.

Articles of Association of the company provide for payment of preference dividend arrears in priority to return of equity capital. You are required to prepare the liquidator's final statement of Account.

B.) Write a note on Preferential Creditors:

[05]