

- Q.4 National Co. Ltd. went into voluntary Liquidation on 31st December 2016. (15)
The Balances in its books on that date were.

Liabilities	Rs.	Assets	Rs.
6% cum pref. shares of Rs. 100 each fully paid	500000	Land and Building	250000
2500 Equity Shares of Rs. 100 each, Rs 75 paid up	187500	Plant and Machinery	625000
7500 Equity Shares of Rs. 100 each, Rs. 60 paid up	450000	Patents	100000
5% Mortgage Debenture	250000	Stock	137500
Debenture interest outstanding	12500	Sundry Debtors	275000
Creditors	362500	Cash and Bank	75000
	1762500	Profit and Loss A/c	300000
			1762500

The liquidator is entitled to commission of 3% on all assets realised and 2% on amounts distributed among unsecured creditors other than preferential creditors.

Creditors include preference creditors Rs. 37500 and a loan for Rs. 125000 secured by a mortgage on land and building. The preference dividends were in arrears for two years.

The assets realised as follows :

	Rs.
Land and Building	300000
Plant and Machinery	500000
Patents	75000
Stock	150000
Sundry Debtors	200000

The Expenses of liquidation amounted Rs. 27250. Prepare the liquidator's final Statement of Account.

OR

- Q.4
(A) Bakul Ltd. went into voluntary liquidation. The details regarding liquidation are as follows. (10)

Share capital

2000, 8% preference shares of Rs. 100 each, fully paid.

'A' - 2000 Equity shares of Rs. 100 each, Rs. 75 paid up

'B' - 1600 Equity shares of Rs. 100 each, Rs. 60 paid up

'C' - 1400 Equity shares of Rs. 100 each, Rs. 50 paid up

Assets including machinery realised Rs. 420000

Liquidation expenses amount to Rs. 15000

Bakul Limited has borrowed a loan of Rs. 50000 from Patel Brothers against the mortgage of machinery (Which realised Rs. 80500). In the books of the company salaries of 4 (four) clerks for four months at a rate of Rs. 250 per month and Salaries of 4 (Four) Peons for three months at a rate of Rs. 150 per month are outstanding. In addition to this, the company's books show the creditors worth Rs. 79800. The liquidator is entitled to a commission of 2% on assets realised.

Prepare liquidator's statement of receipts and payments.

- (B) Write note on - preferential creditors. (05)