

Question.

The SKY Limited went into voluntary liquidation on 31 March, 2019 at which date its capital consist of

- (A) 5000, 8% Preference share of 10 each Fully Paid.
- (B) 10000 Equity share of 10 each Fully Paid.

The Assets Realised 80000
and unsecured creditor were 2000
3000 Preference creditor. The liquidator's remuneration was fixed at 4% commission on Assets Realised and 2% commission on the Amount distributed to shareholders.

Preference share carry preferential right as to payment of capital and dividend. Assume that there is no address of dividend.

Prepare liquidator's final statement of Account

P.T.O

Solution.

Liquidator's final Statement of Account

Assets Realised

80000

Liquidator's Compensation

4% on 80000 = 3200

2% on 40000 = 800

Liquidation expenses. 2000

Preference credits 3000

Unsecured credits 31000

Preference shareholders 40000

80000

80000