

Calculation of Goodwill

$$\begin{aligned} \text{Average Profits} &= (90,000 + 1,30,000 + 86,000)/3 \\ &= \text{Rs. } 1,02,000 \end{aligned}$$

$$\text{Goodwill} = \text{Rs. } 1,02,000 \times 2 = \text{Rs. } 2,04,0000$$

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Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
	Cash A/c Dr To Premium for Goodwill A/c (Goodwill brought in cash by Manik)		51,000	51,000
	Premium for Goodwill A/c Dr To Kabir's Capital A/c To Farid's Capital A/c (Goodwill credited to the capital accounts of old partners in the sacrificing ratio)		51,000	38,250 12,750