

Session 2019-20 Main Series-02

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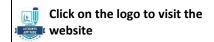
Naveen's Capital Account

Debit Credit

Date	Particulars	Amount (Rs.)	Date	Particulars	Amount (Rs.)
01.06.2019	To Bank A/c	60,000	01.04.2019	By Balance b/d	3,00,000
30.06.2019	To Advertisement Expenditure (20,000 X 5/10)	10,000	30.06.2019	By Profit & Loss A/c (2018-19) (1,50,000 X 5/10)	75,000
30.06.2019	To Naveen's Executor's A/c	4,17,500	30.06.2019	By Profit & Loss Suspense A/c	12,500
			30.06.2019	By Kavita's Capital A/c	80,000
			30.06.2019	By Vishesh's Capital A/c	20,000
	Total	4,87,500	UNTS	Total	4,87,500

Working Notes:

- 1. Profit Sharing Ratio of Naveen, Kavita & Vishesh = 5:4:1
- 2. Gaining Ratio of Kavita & Vishesh = 4:1



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3. Naveen's Share in estimated profits

- a. Firm's Average profit = $(50,000 + 1,50,000) \times \frac{1}{2} = \text{Rs. } 1,00,000$
- b. Firm's Estimated Profit till date of Naveen's death = 1,00,000 X 3/12 = Rs. 25,000
- c. Naveen's share in Firm's estimated profits = $25,000 \times 5/10 = Rs. 12,500$

4. Naveen's share of Goodwill

- a. Firm's goodwill = Rs. 2,00,000
- b. Naveen's share in goodwill = $2,00,000 \times 5/10 = Rs. 1,00,000$
- c. Kavita's Contribution = $1,00,000 \times 4/5 = Rs. 80,000$
- d. Vishesh's Contribution = $1,00,000 \times 1/5 = Rs. 20,000$

