

 Click on the logo to visit the website	Session 2019-20 Main Series-02	Q-17	 Click on logo to visit our Channel
--	--------------------------------------	------	--

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		Total	4,87,500

Working Notes:

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

 Click on the logo to visit the website	Session 2019-20 Main Series-02	Q-17	 Click on logo to visit our Channel
--	--------------------------------------	------	--

3. Naveen's Share in estimated profits

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

4. Naveen's share of Goodwill

- Firm's goodwill = Rs. 2,00,000
- Naveen's share in goodwill = $2,00,000 \times \frac{5}{10} = \text{Rs. } 1,00,000$
- Kavita's Contribution = $1,00,000 \times \frac{4}{5} = \text{Rs. } 80,000$
- Vishesh's Contribution = $1,00,000 \times \frac{1}{5} = \text{Rs. } 20,000$

