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### Veena's Capital Account

Debit			Credit		
Date	Particulars	Amount (Rs.)	Date	Particulars	Amount (Rs.)
01.06.2019	To Bank A/c	15,000	01.04.2019	By Balance b/d	75,000
30.06.2019	To Veena's Executor's A/c	1,66,250	30.06.2019	By General Reserve A/c (30,000 X 1/3)	10,000
			30.06.2019	By Salary A/c (25,000 X 3/12)	6,250
			30.06.2019	By Profit & Loss Suspense A/c	10,000
			30.06.2019	By Keith's Capital A/c	40,000
				By Bina's Capital A/c	40,000
	<b>Total</b>	<b>1,81,250</b>		<b>Total</b>	<b>1,81,250</b>

#### Working Notes:

1. Profit Sharing Ratio of Keith, Bina & Veena = 1 : 1 : 1
2. Gaining Ratio of Keith & Bina = 1 : 1



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3. Veena's Share in estimated profits

- a. Firm's Average profit =  $(1,20,000 + 90,000 + 1,50,000) \times \frac{1}{3} = \text{Rs. } 1,20,000$
- b. Firm's Estimated Profit till date of Veena's death =  $1,20,000 \times \frac{3}{12} = \text{Rs. } 30,000$
- c. Veena's share in Firm's estimated profits =  $30,000 \times \frac{1}{3} = \text{Rs. } 10,000$

4. Veena's share of Goodwill

- a. Firm's goodwill = Rs. 2,40,000
- b. Veena's share in goodwill =  $2,40,000 \times \frac{1}{3} = \text{Rs. } 80,000$
- c. Keith's Contribution =  $80,000 \times \frac{1}{2} = \text{Rs. } 40,000$
- d. Bina's Contribution =  $80,000 \times \frac{1}{2} = \text{Rs. } 40,000$

