


JOURNAL

Date	Particulars	L.F.	Debit (Rs.)	Credit (Rs.)
2019 Jul 31	Furkan's Capital A/c Dr. Barkat's Capital A/c Dr. To Tanmay's Capital A/c (Being Tanmay's share of goodwill compensated by Furkan & Barkat)		24,000 8,000	32,000
	Profit & Loss Suspense A/c Dr. To Tanmay's Capital A/c (Being Tanmay's share of estimated profit credited to his capital A/c)		8,667	8,667
	Tanmay's Capital A/c Dr. To Tanmay's Executor A/c (Balance of Tanmay's capital A/c transferred to his Executor's A/c)		8,40,667	8,40,667
	Tanmay's Executor A/c Dr. To Bank A/c (Amount paid to Tanmay's Executor)		95,000	95,000
	Tanmay's Executor A/c Dr. To Tanmay's Executor's Loan A/c (Balance of Tanmay's Executor A/c transferred to Tanmay's Executor's Loan A/c)		7,45,667	7,45,667

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Working Notes:

1. Profit Sharing Ratio of Furkan, Tanmay & Barkat = 3 : 2 : 1
2. Gaining Ratio of Furkan & Barkat = 3 : 1
3. Tanmay's Share in estimated profits
 - a. Firm's Average profit = Rs. 78,000
 - b. Firm's Estimated Profit till date of Tanmay's death = $78,000 \times \frac{4}{12} = \text{Rs. } 26,000$
 - c. Tanmay's share in Firm's estimated profits = $26,000 \times \frac{2}{6} = \text{Rs. } 8,667$
4. Tanmay's share of Goodwill
 - a. Firm's goodwill = Rs. 96,000
 - b. Tanmay's share in goodwill = $96,000 \times \frac{2}{6} = \text{Rs. } 32,000$
 - c. Furkan's Contribution = $32,000 \times \frac{3}{4} = \text{Rs. } 24,000$
 - d. Barkat's Contribution = $32,000 \times \frac{1}{4} = \text{Rs. } 8,000$
5. Amount to be transferred to Tanmay's Executor = $8,00,000 + 32,000 + 8,667 = \text{Rs. } 8,40,667$