

Subject- Accounts Class- 12. Topic- guarantee to partner

10. X, Y and Z are partners, sharing profits in ratio 5 : 3 : 2. Z gives guarantee to firm minimum ₹ 1,20,000 earnings but Z could earn only ₹ 80,000 for the firm. Total profit earned by the firm ₹ 2,00,000. Prepare Profit & Loss Appropriation Account for distribution of profit among partners.
[Ans : Profit X : ₹ 1,20,000, Y : ₹ 72,000, Z : ₹ 48,000]
11. Ram, Rahim and Roja are partners sharing profit and loss in the ratio of 3 : 2 : 1. As per partnership deed Roja's minimum profit will be ₹ 10,000 p.a. The profit for the half year ending on 31st March, 2017 was ₹ 24,000.
Pass necessary Journal entry for the distribution of the profit and prepare Profit and Loss Appropriation Account.
[Ans : N.P. Divided ₹ 11,400, ₹ 7,600 and ₹ 5,000]
12. P, Q and R are partners, sharing profit in ratio 3 : 2 : 1. It was agreed that (i) R would get minimum profits ₹ 3,00,000 (ii) Q made guarantee to the firm that he would earn minimum ₹ 4,80,000. Firm earned ₹ 15,20,000 for the current year if included ₹ 3,20,000 earned by Q.
Prepare Profit & Loss Appropriation Account for distribution of profit among partners.
[Ans : Profit P ₹ 8,28,000, Q ₹ 5,52,000, R ₹ 3,00,000]