



St. Lawrence High School

A Jesuit Christian Minority Institution



Answer Key 14

Sub: Accountancy

Class: XII

Chapter: Unit I: Introduction to Partnership

F.M.: 15

Topic: Guarantee of Profit 1

Date: 18/05/2020

1. Guarantee of profit means
(a) assured maximum profit; (b) insured minimum profit; **(c) assured minimum profit**; (d) none of these.
2. If actual profit is more than the guaranteed profit, then the partner gets
(a) actual profit; (b) guaranteed profit; (c) both actual and guaranteed profit; (d) none of these.
3. If guaranteed profit is more than the actual profit, then the partner gets
(a) actual profit; **(b) guaranteed profit**; (c) both actual and guaranteed profit; (d) none of these.
4. Guaranteed of profit can be sub-divided into
(a) 4 parts; (b) 3 parts; **(c) 2 parts**; (d) none of these.
5. In guarantee of profit by the firm, initially
(a) actual profit of the partner sets aside; **(b) guaranteed profit of the partner sets aside**; (c) both (a) and (b); (d) none of these.
6. X and Y are the
(a) equal partners; (b) unequal partners; (c) partners by guarantee; (d) none of these.
7. New partner Z was given the guarantee to received
(a) ₹2,80,000; (b) ₹3,20,000; **(c) ₹60,000**; (d) none of these.
8. The new partner Z is required to share
(a) $\frac{1}{3}$ rd of future profit; (b) $\frac{1}{6}$ th of future profit; **(c) $\frac{1}{5}$ th of future profit**; (d) none of these.
9. In the first part of the given problem, the residual amount of profit distributed to X and Y is
(a) ₹2,80,000; **(b) ₹2,20,000**; (c) ₹3,40,000; (d) none of these.
10. X's share of profit in the first part of the given problem is
(a) ₹1,10,000; (b) ₹60,000; (c) ₹50,000; (d) none of these.
11. In the second part of the given problem, profit earned by the firm is
(a) ₹2,80,000; (b) ₹3,00,000; **(c) ₹3,20,000**; (d) none of these.
12. Z gets _____ profit in the second part of the given problem.
(a) guaranteed profit; **(b) actual profit**; (c) average profit; (d) none of these.
13. The amount of extra profit that Z gets over his guaranteed profit in the first part of the given problem is
(a) ₹4,000; (b) ₹10,000; (c) ₹1,000; **(d) none of these**.
14. Principle of guaranteed profit can be implemented when
(a) capitals are fixed; (b) capitals are fluctuating; **(c) both (a) and (b)**; (d) none of these.
15. Guaranteed profit is the condition of
(a) admission of a partner; (b) retirement of a partner; (c) death of a partner; (d) dissolution of partnership firm.

Compiled by
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