

Accountancy

Part A

Unit-2 **Accounting For Partnership Firms**

Questions :-

(* Mark indicates Very Important)

- 1) Define Partnership.
- *2) What is partnership.
- *3) Mention the essential elements of partnership.
- 4) State the minimum and maximum number of persons in case of a partnership firm.
- 5) What is Partner and Firm.
- *6) Explain the characteristics of partnership.
- *7) Mention the rights of a partner.
- *8) Mention the duties of a partner.
- *9) What is a partnership deed.
- *10) Mention the contents / clauses of a partnership deed.
- 11) What is capital account and current account.
- *12) Distinguish between fixed capital account and fluctuating capital account.
- *13) Distinguish between capital account and current account.
- *14) What is profit and loss appropriation account. Why is it prepared.
- *15) Mention the features of profit and loss appropriation account.
- *16) Distinguish between profit and loss appropriation account and profit and loss account.
- 17) Distinguish between charge against profit and appropriation out of profit.
- 18) What is guarantee of profit to a partner.

- 19) What is meant by final accounts. Mention its components.
- *20) Explain the methods of calculating interest on drawing of partners.
- 21) In the absence of a partnership agreement how would you deal with the following-
- a) *Salary to partners*
 - b) *Commission to partners*
 - c) *Admission of a new partner in the Partnership Business.*
- *22) In the absence of partnership deed, state four important points that you should note for proper accounting treatment amongst partners.
- 23) What is unlimited liability of a partner.
- *24) Explain the rules applicable in the following matters at the time of preparing final accounts of a partnership firm in the absence of partnership agreement.
- a) *Sharing of profit and loss*
 - b) *Rate of interest on capital*
 - c) *Rate of interest on loan provided by partners.*
- 25) Explain the need of a partnership deed.
- 26) Mention two circumstances under which the fixed capitals of partners may change.
- 27) Write a note on the method of calculation of commission as a percentage of profit under the partnership firm.
- 28) Mention the points to be kept in mind while calculating interest on capital.