

# Accountancy

## Part A

### Unit-2 **Accounting For Partnership Firms**

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#### **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.