

Chart of Dissolution of Firm and Dissolution of Partnership: -

Basis of Difference	Dissolution of Firm	Dissolution of Partnership
Meaning	It refers to close the operation of the business and end the business or economic relationship among partners.	It refers to making changes in the business relationship among the partners and continue the operation of the business.
Business Relationship among Partners	Business Relationship among the partners will end when there is the dissolution of the firm.	Business Relationship among the partners will Changes when there is the dissolution of the partnership.
Close the business operation	The closure of business operation is also known as dissolution of the firm.	In this case, no need for closure of business operation.
Voluntarily or compulsorily	The operation can be voluntarily closed by the decision of the partners and compulsorily if ordered by the court.	The partners can only make voluntarily in the business relationship among partner.
Closure of Books	The books are closed because of the operations of business ends.	The books do not need to close because of the operations of the business will continue.
Account Prepared	Realisation account prepared in the dissolution of the firm.	Revaluation account prepared in the dissolution of Partnership.
Assets and Liabilities	Realise the value of assets and payment made to settle liabilities.	Revaluate the value of assets and reassessed the value of liabilities.
Effects	Dissolution of the firm does include the dissolution of Partnership.	Dissolution of the Partnership does not include the dissolution of Partnership.