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ACCOUNTING
ASSIGNMENT

Reasons for conversion of
limited liability company to
partnership

1. Ownership and control are combined in a partnership which means that the partners can pursue their best interests while handling the business as opposed to companies that the directors are constrained by the shareholders.

2. Easy access to profits in partnerships where the profits flow directly into partners accounts as

opposed to partnerships where the profits are retained.

3.It is easier to transfer membership interests in a partnership.

4.It is easier for partnerships to borrow from banks than for companies.

5.It is more convenient for partnerships to attract investors than limited liability companies.