

Businesses at work introductory

Sole trader

Sole trader is a person who sets up a business by themselves. As a Sole trader the owner himself is responsible for every action made and also keeps all of the profit. 2 examples of a Sole trader is a off license and a newsagents. Both of these are similar businesses because the way both of these work but the newsagents have to get up in the morning earlier to get the newspapers and deliver them to the customers who want to read the newspaper. Whereas the off license doesn't need to.

ADVANTAGES OF THE SOLE TRADER

- The business is to set up. Apart from any necessary licences or planning permission, there are very few legal formalities.
- Although accounts are seen by the inland revenue, they do not have to be made by public.
- The business is usually small, and the owner is in charge of the management. decision can be made quickly
- The owner gets all of the profit from the business
- Being a small business can provide attention to the customers

DISADVANTAGES OF A SOLE TRADER

- Sole traders have to work very long hours particularly when setting up a business.
- Difficult for the business to expand
- No continuity, if the owner is ill etc there is no one else to run the business.

Partnership

In business partnership is meant by the term that there are 2 or more owners of the business. In this type of business the use of the trading can be used again and again along as all the partner's name are quoted. Two examples of a partnership business are a restaurant and supermarket. The

advantages of having a supermarket is that you always have customers coming into the store whereas a restaurant opens at certain time which in most cases open at late till early hours in the morning. The disadvantage of having a restaurant is that you may only get customers at a certain time which means that at other times the business may not make anything.

ADVANTAGES OF A PARTNERSHIP

- Small partnership can provide personal service.
- Compare to a sole trader there are more people to put money into the business,

DISADVANTAGES

- Usually too small for a large scale production, although there are expectations to this.

Private limited company

A private limited company require minimum of seven promoters and must file a memorandum of association, convene a statutory meeting, register the company, and obtain a company income tax identity card. They must also follow accounting procedures specified in the Civil and Commercial code, the Revenue Code and the Accounts Act. A balance sheet must be prepared once a year and filed with the Department of Revenue and Commercial Registration. In addition, companies are required to withhold income tax from the salary of all regular employees. Two examples of Ltd Company are Reebok and Levi's. Both of these companies are Clothes Company. Reebok has variety of clothing from tops to trainers and shoes whereas Levi's only have tops to jeans. Reebok has advantage over Levi's due to them having more variety of clothing and sports equipment.

Public limited company

Public limited company has one main goal that the organisation focus's on. The goal is to help their clients find their way through the laws that our society governs and focusing on helping the public and providing the

public service. Two examples for public limited company are Asda and Wood Rogers & Hazlegrove. Both of these companies provide a service for the public. Asda provide the public with variety of services including selling goods at a low price and offering other services which the public require in everyday life, whereas Woods, Rogers offering legal expertise, building an organisation of skilled, dedicated employees helping the society.

Co-operatives

A co-operative is a voluntary association of people formed to meet common economic, social and culture needs. Co-operatives are based on the values of self-help, self-responsibility, democracy and equality. Two examples of an co-operatives are Oxfam and Children in Need. Both of these are voluntary work which people take to help the poor. Oxfam focuses on all the age groups and try to help them whereas Children in Need only apply to children.

Not for profit but for a charity

This is where the people work and some employees may get paid whereas they may be doing this for voluntary. Here the organis ation goal is to underpin to raise money for charity and don't make profit. Two examples of this are Oxfam and Children in Need. Either of these may be voluntary or paid work but help people who need it most. Oxfam focus's on all the age group whereas the Children in Need only focus on children.

Franchise

Franchise is relatively are a new form of a business and have grown enormously in Britain past few years. Franchise is a small business but has the comfort and security of a large business. The aim of a franchise is to run the business on their own yet have the security and expertise of large, national, international organisation behind them.