**1)  Identify and describe three type of business Ownership for self-employment.**

1, **Sole traders**

To be classed as a sole trader, you need to run your own business as an individual and be classed as self-employed.

As a sole trader, you can keep all the profits your business makes, once you’ve paid tax on them, but you’re also legally liable for any losses your business makes.

2, Partnership

In a partnership there is the added help in decision making, splitting the workload and sharing a number of other day-to-day tasks. Each partner must also pay tax and NI on their individual split of profit.

3, Limited company

A limited company differs from a sole trader or partnership as it is owned by the shareholders and run by appointed directors.

The limited company must be registered with Companies House and is classed as its own legal entity. This means that the company's finances and legalities are separate to that of the owners. Any profit made is the property of the company (after any taxes are paid) and only then can they be paid out to shareholders.

2) Give one advantage and disadvantage of wish  type you are choosing

Advantage : As a sole trader, you don’t need to register your business with Companies House. This is because it isn't a separate legal entity, in the way that a limited company is. As a result, a benefit of working as a sole trader is you can start working right away.

Disadvantage : Unlimited liability means you’re responsible personally for any debts and losses of the business, whether that’s outstanding tax, office rent or equipment costs. So if you run into financial difficulties, personal assets such as your house could be at risk.

Disadvantage : Limited company accounts can be complicated compared to other business structures. This will require the director to record information on the monthly basis. Some of the things that need to be covered are tax returns, business expenses and keeping the business accounts up to date. As the accounts for limited accounts are quite complex, it is essential that you hire help.

Advantage : A limited company offers limited liability to the business owner. Whereas a sole trader is responsible and liable for all the business, a limited company owner/director has limited liability. This is one of the biggest reasons why entrepreneurs opt for this business structure. Having limited liability means that if a business incurs debts, your personal assets and finances will be protected in the eyes of the law.

Advantage :

The partners can agree to create the partnership verbally or in writing. There’s no need to register with Companies House and registering the business partnership for taxation with HMRC is quite simple. The partners will also individually need to register for self assessment, which they can do online.

Disadvantage :

A business partnership has no independent legal existence distinct from the partners. By default, unless a partnership agreement with alternative provisions is put in place, it will be dissolved upon the resignation or death of one of the partners. This possibility can cause insecurity and instability, divert attention from developing the business and will often not be the preferred outcome of the remaining partners.

3) Choose a suitable type of ownership For the agreed business Ideas and explain why it is appropriate.

Sole traders do not have a separate legal existence from the business. In the eyes of the law, the business and the owner are the same. As a result, the owner is personally liable for the firm's debts and may have to pay for losses made by the business out of their own pocket. This is called unlimited liability.

4) Identify and describe minimum of two legal  factors Relevant to the Agreed business idea.

1, Unlimited liability : Sole traders assume full legal responsibility for all business debts. There isn’t a limit to the maximum amount of debt a sole trader is personally liable for, and as such, your personal assets may be seized to pay for losses incurred by the business.

2, **Privacy**

As a sole trader, you enjoy a greater level of privacy as you’re protected by HMRC’s taxpayer confidentiality rules. Unlike limited company directors, you’re not required to publish your company’s accounts or details on the Companies House website.