**Enterprise Comp5204**

Class Notes/Revision: Company Structures

**Part 2: Partnerships**

Partnerships are a convenient business structure allowing two or more people to create a business. Just like the other business models there are standard conditions that must be put in place for taxation, gst, accountancy etc.

For each of the terms/business elements/conditions below read the **moodle.boppoly.ac.nz** pdf docs and also the **business.govt.nz** websites to find and note down the main points relevant to each item

What are the differences between

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| * General Partnership: * Limited Liability partnership: * Joint ventures: |

What does the term “liability” mean, why might this be of concern for someone who is involved in a liable company

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Why are partnerships potentially beneficial for people with different skills and knowledge

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Describe how the tax structure works for partnerships, for the people involved, for the partnership “entity”

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Describe how people involved in a partnership might receive monetary remuneration, describe the two main methods that could be used

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Describe how each partner of the company pays/claims business expenses for end of year tax accounting

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Describe why ACC is potentially important for any people that are self employed or working in a partnership

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Describe what a “Sleeping Partner” is in relation to partnerships

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Describe why some people would choose to place their personal assets into a “Trust”. Describe what a “Trust” actually is

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Describe what Venture Capital is and where it might come from

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Describe what a joint venture is and why these kinds of structures may be formed, describe the requirements for specific skills and attributes to achieve large jobs

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Describe three different things/characteristics that a good partnership will have, display, involve

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Describe what a NDA is and why they might be used

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