Worksheet 2

Name Class Date

**Sole Traders and Partnerships**

**1** Do the following features apply to sole traders, partnerships, both or neither?

Tick the correct box for each.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Sole trader | Partnership | Both | Neither |
| One owner |  |  |  |  |
| 1–20 owners |  |  |  |  |
| Unincorporated |  |  |  |  |
| Limited liability |  |  |  |  |
| A deed of partnership is beneficial |  |  |  |  |
| Financial information must be published |  |  |  |  |

**2** Compare a sole trader with a partnership. Which of the following is an advantage of being a sole trader?

Select the correct answer.

**A** Limited liability

**B** More access to capital

**C** Partners can specialise

**D** A Sole trader keeps all the profit

**E** A Sole trader can share the workload with co-owners

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**3** A deed of partnership is not a legal requirement, but it is useful as it can help prevent disputes between partners.

Is this statement true or false?

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