1. List the type of business structures that exist in the UK today.

Some of business structures included:

1. Sole trader
2. Partnership
3. Limited liability partnership
4. Limited company
5. Discuss the relevance of the different possible structures and explain which structures are appropriate under different circumstances.

The four business structures: Sole trader, Partnership, Limited Liability Partnership (LLP), and Limited company, were relevant because they provide different levels of personal liability protection, tax implications, and administrative requirements for business owners in the UK.

Each structure was designed to meet the specific needs and circumstances of different types of businesses.

* **Sole trader**: This was the simplest form of business structure and was ideal for individuals operating on their own. The business owner and the business were legally the same entity.
* **Partnership**: This structure was used when two or more individuals want to go into business together. Partners shared the profits and losses of the business.
* **Limited Liability Partnership (LLP)**: This was a partnership in which some or all partners had limited liabilities. It exhibited elements of partnerships and corporations.
* **Limited company**: This was a type of business structure where the company had a legal identity of its own, separate from its owners (shareholders) and its managers (directors).

1. Choose an appropriate business structure for designing, manufacturing, marketing and selling your electronic device.

Considering the various aspects of designing, manufacturing, marketing, and selling an electronic device, I would choose the ‘Sole Trader’ as my business structure.

1. Explain your reasons for this choice (as opposed to some other structure).

I chose the ‘Sole Trader’ structure for several reasons. Firstly, it offered simplicity and ease of setup, which was ideal for a startup business like mine. As a Sole Trader, I had complete control over my business decisions without the need for consultation or agreement from others. This allowed me to quickly adapt to changes and made decisions that best suit my business needs.

Secondly, the administrative requirements for a Sole Trader were relatively minimal compared to other structures such as Limited Companies. This allowed me to focus more on the operational aspects of my business rather than spending time on complex administrative tasks.

Lastly, as a Sole Trader, I had the opportunity to establish a personal relationship with my customers. In the electronics industry where customer trusted and satisfaction were crucial, this could be a significant advantage.

While the Sole Trader structure did expose me to unlimited liability, I believed that with careful planning and risk management, I could mitigate potential risks. Moreover, as my business grew and evolved, I could always consider changing to a different business structure that better suited my needs at that time.

Conclusion

Designing, manufacturing, marketing, and selling an electronic device is a business activity that involves various aspects of legal, financial, and operational decisions. One of the most important decisions is choosing the appropriate business structure for the business. This paper mainly introduces the four types of business structures in the UK, namely Sole Trader, Partnership, Limited Liability Partnership (LLP), and Limited Company, and explains their relevance, advantages, and disadvantages for business owners. The paper also analyzes the suitability of these business structures for the electronic device business, and selects Sole Trader as the preferred option. The paper argues that Sole Trader has the benefits of simplicity, full control, minimal administration, and personal relationship for the electronic device business. The paper acknowledges the drawback of unlimited liability risk for Sole Trader, but suggests that it can be mitigated by careful planning and risk management. The paper also recognizes that as the business grows and changes, other business structures may become more appropriate and feasible.

Internet

[Different Business Structures | Types, Advantages & Disadvantages (cpdonline.co.uk)](https://cpdonline.co.uk/knowledge-base/business/different-business-structures/)

[Welcome to GOV.UK (www.gov.uk)](https://www.gov.uk/)

[Business Structures 101: Which One’s The Best Fit For Your Company? (forbes.com)](https://www.forbes.com/sites/mikekappel/2021/04/28/business-structures-101-which-ones-the-best-fit-for-your-company/?sh=6344a33e3141)

[Sole Trader vs Limited Company (smeinsurance.com)](https://www.smeinsurance.com/knowledge-and-resource-hub/news-and-guides/sole-trader-vs-limited-company/)