
A smiling man with dark hair, wearing a blue and white checkered shirt and a grey apron, stands in a doorway with his arms crossed. The background shows a modern interior with a red armchair, a white side table, and a bouquet of flowers. A large black text box with rounded corners is overlaid on the image, containing the text "Sole Trader" in white, bold, serif font.

Sole Trader



**A business
that is owned
by one person.**

Sole Trader

**The owner has
to try and be a
specialist in
everything.**

**It has
unlimited
liability, which
means that
personal
possessions
are at risk, if
the business
fails.**

**The owner
keeps all the
profit.**

**The owner is
able to make
quick decisions..**

Partnership



A photograph of two men in dark blue suits shaking hands. The man on the left is partially visible, showing his head, beard, and torso. The man on the right is also partially visible, showing his arm and hand. They are standing in front of a white wall with decorative paneling. A scale of justice is visible on a desk in the lower right corner.

Partnership

A partnership has two or more owners.

A partnership normally has unlimited liability but sleeping partners can apply for limited liability.

Profits are shared equally.

Owners can share the responsibility.

Private Limited Company



A group of business professionals in a modern office setting, engaged in a meeting around a glass table. They are looking at documents and laptops. The background features large windows with a view of a city and some indoor plants.

Private Limited Company

Profits are shared between shareholders.

Owners have limited liability, only the finance invested can be lost.

Shares can be sold to friends and family.

1-50 owners.

Public Limited Company



A group of business professionals in a modern office setting, engaged in a meeting around a glass table. The background features large windows with a patterned screen and indoor plants.

Public Limited Company

Shares can be sold on the stockmarket

PLC's are at risk of takeover

They have limited liability

They can have an unlimited amount of owners.

A black Bentley Continental GT is parked on a stone-paved driveway in front of a house. The house has a white facade, a red-tiled roof, and a large wooden garage door. A stone wall with a black metal gate is on the left. The scene is lit with warm, golden light, suggesting late afternoon or early morning. A large black rounded rectangle is overlaid on the center of the image, containing the text 'Unlimited liability' in white serif font.

**Unlimited
liability**



Unlimited liability

If the business fails, the owner is at risk of losing personal possessions.

Sole Traders and Partnerships have unlimited liability

Unlimited liability means the owner(s) have no separate legal identity.

This is classed as a disadvantage

Limited liability





Limited liability

limited liability means the owner(s) have a separate legal identity.

If the business fails the owner only loses the finance invested.

Private limited companies (Ltd) and Public limited companies (PLC) have limited liability.

This is classed as an advantage

A group of diverse volunteers in teal shirts are working in a warehouse, packing cardboard boxes. Two women in the center are smiling at the camera. They are wearing lanyards with ID badges. The boxes are labeled 'DONATE' and 'CHARITY'. The background shows stacks of boxes and clothing racks.

Non-for-profit

DONATE

CHARITY

A group of diverse people, including two women in the foreground, are smiling and working in a warehouse. They are wearing teal t-shirts and lanyards. The background is filled with stacks of cardboard boxes. One box in the foreground has a white label that says "DONATE". Another box further back has a white label that says "CHARITY".

Non-for-profit

All profit gets put back into the organisation or supports the cause

Can be difficult to make profit for the cause

Volunteers maybe unreliable

Ethical by supporting a cause or the community