**LO5 – Factors to consider when starting a business – Exam Questions**

**Using the work we have completed over last few weeks please answer the Exam questions below which are all related to the different topics we have covered.**

* For 6 mark questions you should be stating the benefit, explain it and how it would benefit the business. Use this to plan what you want to write in each question.

You are planning to set up a small business selling cases for mobile phones. The business will be run as a partnership with your friend Raj.  
  
Analyse **two** benefits of starting your business as a partnership rather than as a sole trader. [6]

Benefit 1

Benefit 2

You are planning to set up a small business selling cases for mobile phones. The business will be run as a partnership with your friend Raj.  
  
Explain **one** reason why a business plan may be needed for your new business. [3]

You are thinking of opening an ice cream café in a local tourist resort.  
  
You plan to run your ice cream café as a sole trader.  
  
Analyse **two** benefits of running a business as a sole trader. [6]

Benefit 1

Benefit 2