NAME : AJIFOWOBAJE OLAOLUWA OLUWAPAMILERIN

MATRIC NUMBER : 17/SMS02/066

ASSIGNMENT : ACC 301

 QUESTION : list and discuss at least five other reasons ( apart from privacy and cost of operations ) why it may be beneficial to convert a limited liability company to a partnership business

ANSWER :

1. **Continuity** The business will continue even if one of the owners dies. In this case, shares will be transferred to another owner : the death of a member will not stop the business from flowing , they will continue to operate for the foreseeable future
2. **More capital can be raised** as there is no limit on the number of shareholders : if you convert t a partnership you will be able to raise more capital and funds as there is no limit to the number of shareholders in partnership The more partners there are in a company or in the Partnership business, the more money there may be obtainable from their mutual capitals to invest into the industry, which can help to fuel development. Collectedly, their deriving volume is also likely to be better.
3. **Ownership and control advantage** In a Partnership company, possession and management of the company are divided between stockholders and directors (though they’re frequently the same people). That can unkind that directors are forced by shareholder favorites in following what they see as the best welfares of the industry. By difference, in a business company, the associates both own and switch the business. As long as the associates can agree how to function and drive onward the company, they’re allowed to follow that deprived of meddling from any stockholders
4. **Easy to access profit** In the list of advantages the last benefits is in a business, the incomes of the industry are communal between the companions. They flow straight through to the business partner’s individual tax revenues rather than originally being booked within the business partnership
5. **Less formal with legal obligations** The first advantage is the lack of formality compared with managing a limited company is one of the main advantages of a partnership business. In a comparison of limited companies, the accounting process is generally easier. The need to keep records of income and expenses is a requirement but partnership business does not need to complete a Corporation Tax Return. A partnership business can easily be dissolved at any time unless a formal partnership agreement has been drawn up this allows all the partners the freedom to leave or choose the business terms
6. **Better decision making benefits** In the comparison with working on your own in a company the commercial welfares from the unique viewpoint transported by each partner. In business, very frequently two minds really are healthier than one, with the joint assumption of oratory a state far better than what each companion could have attained separately.
7. **Privacy benefits** In the comparison to a limited business, the matters of a company or business can be reserved intimate by the partners. By difference, in a company-specific paper are accessible for public review at Companies Place and a company’s stockholders can select to review various lists and other documents the business is compulsory to keep