

Example of report on sole trader

[Law](#), [Criminal Justice](#)



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Business Law

Introduction

Understanding the legal and ethical framework underpinning the operation of businesses is a prerequisite for engaging in activities and practices that are legally compliant. Most of the dilemmas facing business individuals and organizations stem from the lack of understanding and failure to adhere to the laws. Notably, laws specify what is legally permissible in the corporate society and as well stipulates the consequences that may follow in the event of engaging in non-compliant activities. Moreover, it is important to underscore that laws are never static. They can change from time to time and it is upon the business owners to be cognizant of the changing legal specifications surrounding their line of operations. This report provides response to the three situations underpinning on legal advice.

Response to Enquiry 1

The understanding of a legal contract is vital in ensuring that the complaint against a retailer who defies the contract is valid. In many instances, disputes stem from failure to recognize the existence of a contract other than its violation. Before determining the validity of the case, it is worthwhile to shed light on what constitutes a contract. Based on consumer protection laws, a contract is a voluntary promise between competent parties to do something or not to do something. As such, the law must enforce the agreement in the contract. Contracts, whether oral or written contains legally binding promises. Contracts qualify to be genuine if there is exchange of considerations, which in most cases involves something of value.

In order to enter into a contract, one has to make a number of considerations. First, contracts are legally recognized if the parties have attained maturity, recognized in the as the age past a minor. In case a contract involves a minor, the court may not enforce such contracts and, therefore, invalid to take a legal action. The courts always consider minors to be vulnerable due to their immaturity. In other words, minors may sign legal contracts without actually comprehending the implications of such contracts. As a result, minors may eventually be unable to meet the terms of the contracts they have signed posing legal dilemma. There is no exception for minors who are emancipated, those living entirely on their own. As such, if the retailer who fails to honor the terms of the contract you signed is a minor, then you have to have a second thought about the court process. Moreover, mental capacity is another factor to consider. Although the age for maturity may be certain, mental capacities of the parties may also invalidate

a contract. It is imperative to mention that you need to evaluate the mental disposition of the retailer. At times, people tend to sign formal contracts yet they do not understand what they are doing, neither do they appreciate the implications of such contracts. In regards, it is mindful to determine the retailer's ability to control himself regardless of his understanding. Although he may understand the implication of then contract, the ability to control himself is vital is determining the validity of your claim.

It is also important to consider the nature of the contract. Oral contracts per se are formal yet very challenging to prove in the court. The courts consider oral contracts as formally binding, but is quiet difficult to prove before the court the validity of such contracts. Things such as the terms of the contract may not be easy to substantiate before the courts in case of any undesirable eventuality. In such a case, it is judicious to resolve disagreements arising from oral contracts outside the courts.

Since the contract only affects you as an individual and perhaps the business and the family, the case against the non-compliant retailer is a private case. In simple terms, the key difference between private and public cases lies in the groups it affects. Whereas public cases are those involving the entire society, private cases are those that only affect individuals, families, business, and small groups. Considerably, it is not wise to settle this matter through a judicial system. Apparently, court process may be expensive, time consuming, and may have undesirable outcome. As such, you may consider the option of settling the case outside the courts. You may involve you family and the family of you contract partner to establish an understanding.

Response to Enquiry 2

The choice of the form of business ownership may lay a roadmap to success. Notably, the choice determines the groundwork for the business operations. In other words, the form of ownership sets the boundaries on what the business can legally do. It is important to make legal considerations when trying to choose the form of ownership for your business. A proper understanding of the legal frameworks of the various forms of ownership enables you to know what happens if someone sues you and then taxation policies. Notably, each form of business ownership has legal implications. In this section, I will underpin the advantages and disadvantages of sole proprietorship, partnership and a registered company on from a legal standpoint and taxation.

Sole proprietorship, alias sole trader is the simplest form of business ownership and the easiest to set up. In terms of ownership, a sole proprietorship involves an individual owner and may be with his or her family. Although it is always the best way to begin, running a business as a sole trader has legal implications.

One of the advantages of sole proprietorship from a legal standpoint is the fact that it involves no paper work to form. In other words, there no specific legal specifications and processes on has to undertake to form a sole business. There are no legal documents that one must fill in order to operate as a sole trader. The only legal requirement is to obtain a business license. Conversely, running a sole business has adverse legal implications. First it is worth noting that a sole trader has unlimited liability. In other words, there is no legal separation between the business and its owner. In regards, the

owner is liable for any business-related obligations, including debts and court judgments. If someone sues the business in a court of law, it simply mean that the person sues the business owner. In case there is a claim against the business, the owner is fully responsible to the charges. Accordingly, personal assets such as land, vehicle, home, personal savings, household goods, or any other personal belonging of the owner will be subject to claims arising creditors due to the business' ability to pay up for its debts.

In terms of taxation, all income and expenses are filed as part of the owner's personal tax return. There is no fixed amount of tax payable by the business. As such, an increase in the profit levels of the business implies an increase in the taxable income of the owner. The owner has to report the business income and losses on his/her tax return.

Partnership

Partnership involves two or more owners who sign a partnership agreement document. Just like a sole trader, the owners of a partnership are not different from their business. Nevertheless, a partnership can own property or incur debt in its name.

The advantage is that partnership is that there are no legal paperwork involved in forming a partnership business. As long as the partners have agreed on issues such as contribution per partner and profit sharing, the business only requires a trading license.

As with the case in sole trade, partnership also has unlimited liability. As such, the business partners are entirely liable to the business-related cases. Moreover, it is noteworthy that the other partners are held responsible for the action or decision of one partner involving the business. Taxation in

partnership is also based on the owners' personal income. Profits from the business are taxable as part of the owners' income.

Registered Company

Unlike partnership and sole proprietorship, forming a registered company has legal procedures. Forming a registered company involves filing Article of Organization which stipulate various legal considerations. It begins its operations upon the acquisition of certificate of formation from the Registrar of companies or the Secretary of State.

It has more legal and tax advantages than partnership and sole proprietorship. First the business exist as a legally separate entity distinct from its owners or shareholders. As such, the owners have limited liability and cannot be held responsible for the business liabilities. Besides, any claim against the business does not spill over to the owners. Additionally, the business is taxed once. The owners are, however, responsible for any taxes due.

Response to Enquiry 3

Regulations on workplace dress codes remain debatable. The extent to which an employer can control dressing among the employees continues to become a potential ground for discrimination and harassment. Cognizant of the contention in regarding this practice in the corporate world, it is prudent to mention that regulation of employees' appearance at workplace is an obligation in business. In the traditional context, employers exercised regulation on employees' dress code through the use of uniforms and dress code policies. In the contemporary society, various issue pertaining to

workplace dress code have emerged. For instance, the evolution of tattoos, piercings, colored hair dye, and diverse religious and cultural dress codes poses a great challenge and confusion to employers.

There is an increasing desire among employees to express individualism at workplace. As such, there is an endless conflict between employers and their employees on dress code regulation at workplace. However, it is important for managers and employers to comprehend the risks and legal theories that underpin policies on regulation of personal expression at workplace. In order to understand Meera's situation, I will provide an overview of legal theories that guide policies on workplace dress code. From legal perspectives, employees can use various legal theories to validate their claim on discrimination and harassment at workplace.

One of the legal frameworks is the EEO concerns which is a three-part burden-shifting founded in *McDonnell Douglas Corp v. Green*. The courts apply this framework in trying to make inquiries into the policy of discrimination and or if a policy has discriminatory implications. In case the inquiry confirms an aspect of discrimination, the employer must prove otherwise for its policy. Dress codes substantially may be an indication of policy discrimination, intolerance to religious differences, and/or the existence of a biased environment.

Stereotype claims is another framework that may substantiate discrimination in workplace dress code policies. Under Title VII, the law requires the protection of employees against any form of discrimination resulting from failure to conform to sex stereotype. If an employer takes adverse actions against an employee for failing to follow to social expectations based on sex,

such an employer is potentially guilty of discrimination.

Another dimension is the disparate impact claims. Based on this legal theory, an employee may show that dress code has disparate impacts on a particular class of people. As such, employers should not use dress code at workplace to serve their personal interest, but rather prove that the code is a job requirement. Religious discrimination is one of the cases in the disparate impact category. The law requires employers to protect religious interests at workplace without applying discriminatory policies. As such, all religious practices and beliefs must be protected. In this context, issues of sincerely held beliefs also arise. The employer should, therefore, offer a reasonable accommodation to resolve conflict of interest between the employees' religious beliefs and employment condition.

It is, therefore, within the laws that employers must accommodate genuine practices and claims arising from ones' religion. Managing employees' personal appearance remains a challenge to the employers due to the diversity and conflicting interests. Nevertheless, the protection of such interest also have some limits. For instance, personally held beliefs that are conflict the interest of the common good may be subject to regulation by employers. Although employees are increasingly seeking to have freedom on what to wear how to wear, employers have a duty to safeguard the requirements of the job while accommodating legally recognized cases at workplace.

Based on the legal frameworks that regulate workplace dress code policies, it is needless to mention that Meera has a substantial ground to justify her claim of discrimination on religious grounds. As mentioned in the discourse,

the claims of disparate impacts in regards to Meera's religious beliefs and practices gives her a legal standpoint to argue her case. It is noteworthy that the law guarantees Meera an opportunity to validate her claim of religious discrimination. In other words, the workplace policy on dress code in the restaurant fails to accommodate religious differences.

In recommendation, the company needs to embrace dress codes policies that recognize and accommodate religious interests. As such, there need to protect Meera and make her feel as part of the organization without any prejudice, discrimination, or harassment.

Conclusion

After analyzing the three cases from a legal standpoint, it is worthwhile to reiterate that the success and smooth operations of the business depends on the understanding and compliance to the laws. In fact, many cases arising in business practices stem from the lack of business owners to acknowledge the legal requirements in line of their business activities. It is imperative to underscore that every area of business has its legal obligations. As such, this report emphasizes that understanding and adherence to the policies, regulations, and laws in business is a prerequisite for the smooth running of business operations.

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