

1. bankruptcy	when an individual has insufficient assets to pay his or her debts	16. exchange rate	between the Australian dollar and another country's currency is the price of that currency in Australian dollars
2. business environment	all of the factors that 'surround' a business and have an impact on it	17. external influences	have an indirect impact on a business, which has very little control over these influences
3. business life cycle	consists of four distinct stages - establishment, growth, maturity, post-maturity	18. franchise business	a legal arrangement between a supplier (franchisor) of a well-known product and the franchisee; the franchisee will develop a business using the trade name; once in operation, the supplier must not only maintain a continuing interest but also provide assistance to the franchisee
4. capital gain	the 'profit' made when a person sells an asset for a price higher than the purchase price	19. goods	physical products which are tangible - they can be touched or seen, e.g. a car or mobile phone
5. capital-intensive	where there are relatively few workers in proportion to the machinery used in production	20. gross domestic product (GDP)	the value of the total output of goods and services produced by businesses and governments during a year
6. competitive advantage	an advantage over competitors gained by offering consumers greater value, either by means of lower prices, improved quality or by providing greater benefits and service		
7. corporate social responsibility	a commitment by a business to operate ethically and contribute to economic development while improving the quality of life of our workforce and their families, as well as the community at large		
8. corporatisation	where governments retain control over government businesses but put them on a corporate footing, performing in the same way as companies in the private sector		
9. discretionary spending	spending from incomes after tax and essential spending has taken place		
10. dividend	the share in the net profit of a company (after tax and other expenses) paid to a shareholder		
11. effective operation	where a business will try to be effective by making sure that customer's needs are met and they are satisfied with the output		
12. efficiency	where a business achieves the greatest possible return or output from an input by using the lowest amount of resources or assets		
13. efficient operation	a business will try to produce its output by using the least amount of input possible		
14. entrepreneur	a person who is willing to undertake financial risk in business by innovating and/or starting up new businesses or investing in existing businesses		
15. environmental sustainability	meeting the needs of the present generation without compromising the ability of future generations to meet their needs		