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|----------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|-------------------------------------------------------------------------------------------------------------------|
| 1. private sector | businesses are privately owned with no government ownership | 15. unlimited liability | when the owners of a business are fully and personally responsible for the debts of that business |
| 2. profitability | the ability of a business to make a profit; it refers to the fact that there is a relationship between the sales revenue of a business, its costs of production and the profit it makes | 16. utility | the usefulness or the ability of a product to provide satisfaction of wants to consumers |
| 3. prospectus | a written invitation to the public to buy shares in a business | 17. value chain | the process where, as the product of a business moves from one process to the next, value is added |
| 4. quality of life | an indicator of well-being and includes environmental factors, health, education, recreation and leisure time as well as wealth and employment | 18. voluntary cessation | a situation where owners decide to close the business through their own choice |
| 5. rent | the income received from allowing a business to use property that it does not own | 19. wages | fixed regular payments, usually paid on a daily or weekly basis by an employer to an employee |
| 6. risk | when there is a possibility of something 'bad' happening or the entrepreneur being exposed to financial loss | 20. wealth | the production and accumulation of assets which satisfy human wants and needs minus any liabilities that are owed |
| 7. salary | a fixed yearly payment to an employee which is usually divide up into 26 fortnightly payments | | |
| 8. services | they are intangible - they cannot be touched or seen, e.g. transport and communications | | |
| 9. solvency | refers to the extent to which the current assets of a business exceed the current liabilities of that business | | |
| 10. stakeholder | an individual, other business or organisation that has a vested interest in the business achieving its objectives | | |
| 11. standard of living | the income per head of population valued in terms of the foods and services that income will buy | | |
| 12. time utility | where consumers experience satisfaction because the product is available when it is wanted | | |
| 13. transnational corporations (TNCs) | huge corporations; they tend not to have a nationally-based parent company; their business transactions take place across borders on a global basis; this gives them the opportunity to take advantages of the differences in laws and financial systems between various countries | | |
| 14. unincorporated businesses | do not have a separate legal identity or existence from their owners; the owners of unincorporated businesses have unlimited liability, meaning they are fully and personally responsible for the debts of the business | | |