

private sector

businesses are privately owned with no government ownership

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

prospectus

a written invitation to the public to buy shares in a business

quality of life

an indicator of well-being and includes environmental factors, health, education, recreation and leisure time as well as wealth and employment

rent

the income received from allowing a business to use property that it does not own

risk	when there is a possibility of something 'bad' happening or the entrepreneur being exposed to financial loss
salary	a fixed yearly payment to an employee which is usually divide up into 26 fortnightly payments
services	they are intangible - they cannot be touched or seen, e.g. transport and communications
solvency	refers to the extent to which the current assets of a business exceed the current liabilities of that business
stakeholder	an individual, other business or organisation that has a vested interest in the business achieving its objectives

standard of living

the income per head of population valued in terms of the foods and services that income will buy

time utility

where consumers experience satisfaction because the product is available when it is wanted

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

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

unlimited liability

when the owners of a business are fully and personally responsible for the debts of that business

utility	the usefulness or the ability of a product to provide satisfaction of wants to consumers
value chain	the process where, as the product of a business moves from one process to the next, value is added
voluntary cessation	a situation where owners decide to close the business through their own choice
wages	fixed regular payments, usually paid on a daily or weekly basis by an employer to an employee
wealth	the production and accumulation of assets which satisfy human wants and needs minus any liabilities that are owed