Enterprise

**Needs:** essentials we need to survive, can be SATISFIED

**Wants:** Non-essentials we desire, cannot be satisfied – UNLIMITED

**SME:** small and medium enterprises

**Primary sector:** extract raw materials. Industry declined

**Secondary sector:** manufacture raw materials into goods. Industry declined

**Tertiary sector:** provide a service. Industry declined

**Entrepreneur:** starts and runs all aspects of a business

**Public sector:** owned & run by government. Provide ESSENTIAL services

- **Non excludability:** can’t prevent anyone from using the services
- **Non-rivalry:** services not reduced from others use; one’s consumption not effected by others using it
- **Public goods:** provided by government; cannot be consumed (non-rivalry)
- **Merit goods:** provided by government or privately; aim to improve living standards

**Private sector:** Owned and run by shareholders and private individuals

- **Sole trader:** owned and run by one person
- **Partnership:** joint ownership between 2-20 people

**Deed of Partnerships:** legal document which sets the terms & conditions of the partnership

**Private companies:** business with a separate legal identity

- **Companies House:** private companies register at Companies House, receive a CERTIFICATE OF INCORPORATION
  
  - **Memorandum of Association:** details of company; name, location, selling
  - **Articles of Association:** internal running, rights of shareholders

**Private Limited Company:** owned by shareholders who are usually friends and family (investors & directors)

**Public Limited Company:** large well-known business that sells shares to the public on the STOCK EXCHANGE (FTSE). Shareholders receive dividends and can attend annual meetings

**Social enterprise:** has social objectives, profits reinvested into community. Some employ socially challenged

**Workers co-operative:** business run and owned by its workers, profits shared

**Charities:** considered a trust fund, role to benefit the community. NON-PROFITABLE, staff usually volunteers