

## CHAPTER 1 : Types of business

### Key terms

1. Co-operative : a firm owned, controlled and operated by a group of users such as workers, for their own benefits
2. Joint venture : where a separate business entity is created by two or more parties. It involves sharing ownership, returns and risks of the new project or other business activity for which the joint venture was set up
3. Limited company : a type of organisation where the owners are its shareholders
4. Partnership : a type of business organisation where two or more people own the business.
5. Private sector organisations : organisations that are owned by individuals or companies and not the state
6. Shareholder : any person or company that owns one or more shares in limited company
7. State-owned enterprise (SOEs) : large organisations that are created by a country's government to carry out commercial activities
8. Unlimited liability : the owners of the business are personally liable for its debts and may have to sell personal assets to pay for them

**1. Private sector organisation**

: Organisation owned by individuals or company mainly for profit maximisation

**2. Public sector organisation**

: Organisation owned by public sector

**3. Non-profit organisation**

: Organisation that do not aim for making profit but able to gain profit or surplus as they can generate to support aims

**4. Co-operatives**

: A group of workers gathering in order to do some activities for them mutual benefits

**5. Joint venture**

: Agreement between two or more companies to cooperate on a particular project or business that serve their mutual interest

