



TAVUA COLLEGE

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WEEKLY HOME STUDY PACKAGE - WEEK 2 (12/07/21 – 16/07/21)

Subject	OFFICE TECHNOLOGY	Year/Level	12
Strand	3 – OFFICE ADMINISTRATION		
Sub-strand	3. 1- ORGANISATION SECTOR		
Content Learning Outcome	DISCUSS THE FIVE DIFFERENT BUSINESS OWNERSHIP		

LESSON NOTES

TYPES OF BUSINESS OWNERSHIP IN THE PRIVATE SECTOR	
Sole Proprietors	
Examples: Owner: Capital invested in the business: Profits: Regulating documentation:	A butcher's shop, Hair Shalon, Canteen. One person By the owner, who is liable for any debts incurred by the business; a sole trader could lose everything they own if the business fails. Received by the owner. No regulating documentation if the owner operates under their own name; if the business has a business name (e.g. 'Celine's Flower shop'), the business must register the name under the relevant Business Names Act.
Partnerships	
Examples: Owner: Capital invested in the business: Regulating documentation: Profits:	A medical centre, a small accounting business, a small law business. Two or more people (to a maximum of twenty). By the partners, who could lose everything if the business is not successful. Partnership agreement controlled by the relevant Partnerships Act; registration of name under the relevant Business Names Act. Distributed between the partners.
Private Companies	
Examples: Owner: Capital invested in the business: Regulating documentation: Profits:	Vinod Patel Company Ltd. Between one and fifty (previously a minimum of two). Public company must be formed after the members exceed fifty and the board of directors is elected by the shareholders. By shareholders in the company (shares are not bought and sold on the stock exchange and cannot be bought by the public). Registered under the <i>Corporations Act 2001</i> and controlled by its own Memorandum and Articles of Association. A dividend distributed to shareholders according to profits earned.
Public companies	
Examples: Owners: Capital invested in the business: Regulating documentation:	Unit Trust of Fiji, Fiji National Provident Fund & Fijian Holdings. Minimum of five (no upper limit); board of directors elected by shareholders. By shareholders (there is a public invitation to invest and a prospectus is issued); shares are bought and sold on the stock exchange. Registered under the <i>Corporations Act</i> and controlled by its

Profits:	Memorandum and Articles of Association. A dividend distributed to shareholders according to profits earned.
Non-profit organisations	
Examples: Capital invested in the business: Profits:	Credit unions, Fiji Red Cross Society, Charity organisations & Fiji Women Crisis Centre. By members of cooperatives and non-profit-making clubs; by donations from the public to charitable organisations. Being a non-profit organisation does not mean the business makes no profit. Any profits made by the business are distributed between the members or used for administrative purposes or to help needy people in the case of charitable organisations.

ACTIVITIES

(a) Study the information on the business below and answer the following questions:

Business A

A legal form of business operation between two or more individuals who share management and profits.

Business B

A type of business entity which is entirely owned and run by one individual.

- (i) Identify the type of ownership in Business A? (1mark)

- (ii) Explain one advantage of the type of ownership in Business B? (2 marks)

- (b) Differentiate between Sole Proprietor and Non Profit Organisation? (2marks)

- (c) Discuss how capital is invested in a Public Company? (2marks)

- (d) Describe the disadvantage of operating a Sole Proprietor business? (2marks)

- (e) Name one type of business ownership that makes up the structure of the organization? (1mark)
