

**Stanchester Academy Year 7 – BDS – Unit 2**  
***Ambitious Learners who are Knowledgeable and Literate***

Key words – SET 1		
1	Business	an organisation that produces a good or provides a service which is owned by private individuals
2	Company	an organisation that produces a good or service which is owned by shareholders
3	Entrepreneur	an individual who is willing to take the risks involved in starting a new business
4	Start up	a new business that is trading for the first time. 70% of start-ups fail within the first year often as a result of a lack of £ or experience.
5	Social Enterprise	a business that is set up to help society rather than to make a profit
Key words – SET 2		
6	Needs	needs refer to goods and services that we must have in order to survive or function. E.g. Food, a home, fuel and energy
7	Wants	wants refer to goods and services that we consider a personal luxury which are willing to spend our incomes on. E.g. Holidays
8	Goods	tangible [physical] products that are sold to customers in exchange for money. E.g. Mobile phone
9	Services	intangible [not physical] products that are sold to customers in exchange for money. E.g. Car insurance
10	Competitor	a business which provides a similar product and is trying to attract the same customer
Key words – SET 3		
11	Primary Sector	businesses involved in the first stage of production which grow or gather raw materials
12	Secondary Sector	businesses involved in the second stage of production which transform raw materials into finished goods [known as manufacturing]
13	Tertiary Sector	businesses involved in the third stage of production which provide a service to the public or other businesses
14	Manufacture	the process of making products using raw materials, human labour and machinery
15	Factors of production	the 4 things which businesses need to produce: capital, enterprise, land and labour [CELL]
Key words – SET 4		
16	Interest rates	The cost of borrowing and the reward for saving money
17	Inflation rate	the average increase in the price of goods and services in the UK
18	Budget	the government's spending plans for the year ahead which is announced by the chancellor of the exchequer
19	Recession	two quarterly declines in the economy triggers a recession
20	Overheads	costs that are related to the day-to-day running of the business
Key words – SET 5		
21	Legislation	the formal word for 'laws' which are passed by the Government
22	National minimum wage	the minimum amount of money a business has to pay its employees aged 16 - 23
23	National living wage	the minimum amount of money a business has to pay its employees aged over 23
24	Consumer rights	the rights consumers have when purchasing a product including: refunds, replacements and repairs
25	Prosecution	when a business is fined or the owner is imprisoned for breaking the law
Key words – SET 6		
26	Climate change	a change in the global weather patterns through increased levels of pollution
27	Pollution	harmful or poisonous substances that are released into the natural world
28	Finite resources	a non-renewable resource that cannot be replaced once used [oil, coal etc.]

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29	Carbon footprint	the amount of carbon dioxide released into the atmosphere to produce a product
30	Sustainability	the ability to operate a business without harming the natural environment
<b>Key words – SET 7</b>		
31	Survival	urgently finding ways to keep the business open avoiding bankruptcy
32	Break-even	generating enough revenue [money] to pay all bills
33	Profit	the reward for running a business; profit can be spent or saved by the owners
34	Increase market share	the process of increasing the number of customers a business has
35	Expansion	the process of increasing the size of the business by opening more stores