U1.01 - Print & Cut Flashcards

Cut along the card edges. Each card shows the question on top and the answer underneath.

CARD 1

What is an SME?

An SME is a small to medium enterprise. In Australia, SMEs commonly include micro, small and medium businesses with fewer than 200 employees.

CARD 2

What are the five main ownership structures in this dotpoint?

Sole traders, partnerships, private companies (Pty Ltd), not-for-profit organisations and franchises.

CARD 3

What are the key characteristics of a sole trader?

One owner controls the business, the owner and business are legally the same, profit is taxed through the owner's personal tax return, and the owner has unlimited liability.

CARD 4

What is one major benefit and one major limitation of a sole trader?

A major benefit is full control over decisions. A major limitation is unlimited liability, meaning personal assets can be used to repay business debts.

CARD 5

What are common examples of sole traders?

Tradies, mobile service businesses, photographers, tutors, personal trainers, market stall operators and home-based businesses.

CARD 6

What are the key characteristics of a partnership?

Two or more people share ownership, profits and decision-making, partners contribute skills or finance, and general partners usually have unlimited liability.

CARD 7

What is one major benefit and one major limitation of a partnership?

A major benefit is shared skills, finance and workload. A major limitation is unlimited liability and the risk that one partner's decisions can bind the others.

CARD 8

What are common examples of partnerships?

Accounting firms, dental or medical practices, family hospitality businesses, small building firms and creative agencies.

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CARD 9

What are the key characteristics of a private company (Pty Ltd)?

It is a separate legal entity, owned by shareholders, managed by directors, not listed on the ASX, and shareholders generally have limited liability.

CARD 10

What is one major benefit and one major limitation of a private company?

A major benefit is limited liability. A major limitation is higher set-up costs and more complex legal, accounting and reporting requirements.

CARD 11

What are the key characteristics of a not-for-profit organisation?

It exists for a community purpose, is governed by a board or committee, reinvests surplus into its mission, and often relies on grants, donations, fundraising or volunteers.

CARD 12

What is one major benefit and one major limitation of a not-for-profit?

A major benefit is strong community support and access to grants or donations. A major limitation is that funding can be unpredictable.

CARD 13

What are the key characteristics of a franchise?

A franchisee operates under a franchisor's brand and system, pays fees and royalties, receives support and training, and has less independence in daily operations.

CARD 14

What is one major benefit and one major limitation of a franchise?

A major benefit is instant brand recognition and support. A major limitation is the cost of fees and the reduced flexibility of following franchisor rules.

CARD 15

What are common examples of franchises?

Boost Juice, Subway, Domino's, Grill'd, Nando's, Anytime Fitness, Snap Fitness, Poolwerx and Bakers Delight.