

Grade 9 – Solutions

Q1. Registered at the Registrar of Companies - a set of legal rules – limited liabilities

Q2. Private Limited co. – Raised financial from a small number of shareholders - shareholders are family, relatives and close friends

Public Limited co. – Raised finance through selling share in the stock exchange to members of the general public – larger than private limited co.

Q3. Limited company

Adv - Limited liability/ Separate legal identity/ Continuity/ Capital/ Management

Disadv – Registration/ Disclosure of accounts

Q4. Dividend is the part of company's profits that is distributed to shareholders.

Q5. a business organisation owned and run jointly by its members - who share the profits or benefits - Each member contributes capital by buying a share - He/ she is allowed one vote when taking business decisions.

Q 6. Registration/ Ownership/ Control/ Risk/ Profit

Q7. A franchise is a type of enterprise that bought a license from a franchisor to sell its products and services where the franchisee buys the license from a franchisor - The franchisor sells a license of operation before the latter can start to operate.

Q8. Franchise

Adv - Strong reputation/ Support and training/ Existing product

Disadv- Huge investment/ Control by franchisor/ Profits to franchisor

Q9. Multinational company is an enterprise that has production or service facilities outside the country in which it is based - main office (headquarters) is usually located in the country of origin - manufacture products with same features, logo or product names in different parts of the world.

Q10. Ownership and control/ Risks/ Expansion/ Registrations and procedures/ Continuity