**Day 5 – Notes (businesses & banks)**

**Profit:** Sales minus Expenses

Sale: Money made from selling products

Expenses: Buying Resources, Buying Ads, Paying Employees

**Entrepreneur:** Person who takes a risk to produce goods/service

**1**

**Proprietorship:** ONE owner business…………………………..

**2**

**Partnership:** TWO or more owner business…………………

**many**

**Corporation:** MULTIPLE owners………………………………….

 - Big Business

- People buy stocks (investments)

 - Basically: gambling on a business

**Banks**

- **Deposits:** People loan money to a bank (aka: saving)

- **Loan:** Banks give money to a borrower

- **Interest:** Money earned from a loan

 - Interest is good when loaning

 - Interest is bad when borrowing

- Banks = Middle-men (aka: intermediary)