

Tesco and abbey groceries business analysis

[Business](#), [Accounting](#)



I will be investigating about two businesses. I will be talking about their ownership, liabilities, main industrial sectors, their core business activities, location, stakeholders, and conflicts of interest.

BRIEF DESCRIPTION ABOUT TESCO The tesco I am investigating about is located at Beckton. It is a public limited company that is can sell its shares to the public. This tesco branch has over 150 staff. The reason why I have chosen this tesco is because it is big and many people do their shopping at this particular branch.

The main aim of tesco is to make profit, expand, get famous, maximise sale and also compete with their competitors (ASDA, SAINSBURY'S). Tesco at beckton opens 24 hours a day.

BRIEF DESCRIPTION OF ABBERY GRORCIES Abbey groceries that I am investigating about is a sole trader business i. e. a one man business. All the activities of the business is carried out by the owner, the sole trader bears all the risk, shares all the profit alone, make decisions by himself and shares the loss alone.

Abbey groceries main aim is to provide goods and services to the local community, make profit, to survive as a business. Abbey groceries sells newspaper, food and drinks. Abbey groceries opens the shop at 8. 00pm and closes at 11. 00pm.

TYPE OF OWNERSHIP AND LIABILITY OF BOTH BUISNESSES TESCO: is a public limited company (plc) this means any person can buy shares in a public limited company and they are identified by their (plc) after their name.

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Public limited companies have limited liability. This means that if tesco goes bankrupt, the owners lose what they have invested into the business only.

ABBEY GROCERIES: is a sole trader and it's an individual trading in his or her name. This business is owned by one person and has an unlimited liability this means if the owner cannot pay its debts, he loses all his investment in the business and also his personal assets.

WHY THIS TYPE OF OWNERSHIP DOES SUIT THESE TWO BUSINESSES? First of all sole traders business is easier and quick to set up; because it is a small business, therefore it only needs small capital to start-up and less amount of space.

The owner shares all the profit alone this means the owner is entitled to all his profit that the business gains while running the business, so the sole trader chooses whatever he wants. The owner also works flexible hours, abbey groceries owner chooses whatever time he wants to open and closes up his business. He also makes decisions quickly i. e. there is nobody to disagree with him with the decisions taken about the business. The sole trader also bears all the risk of the business.

Firstly plc can raise money through selling of shares of their business. The business can also sell its shares to the public i. e. sell it to anyone that is interested and has the money to buy it. The plc also share its profits to the share holders, there is also continuity of the business i. e. if any of the shareholder dies the business still continues.

THE MAIN INDUSTRIAL SECTORS

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1. THE PRIMARY SECTOR: This involves the extracting of raw materials from earth, such as oil; and growing foods and other crops.
2. THE SECONDARY SECTOR: This involves manufacturing of goods and semi-finished goods; such as metal sheets and rod; building; and supplying water, gas and electricity.
3. THE TERTIARY SECTOR: It provides services of all kind to consumers and organisations . e. g. transport and communication, education and financial services.

DESCRIPTION IN WHICH MY BUSINESS FALLS UNDER Tesco, which I am investigating about, is under both the secondary and tertiary sector. It falls under the secondary sector because it processes and manufactures raw materials into finished goods like bread and cookies.

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While Tesco is under the tertiary because it renders services like home delivery, financial services, wholesale and retail and restaurant. Tesco has decided to fall the tertiary sector because over the last 50 years the population of the United Kingdom has become better off financially because many people are working under this sector. Tesco has also chosen to belong to this sector because of the rise in income which will enable the company expand. It has also chosen this sector because it also provides financial services like loans, mortgages and insurance.

So the amount of revenue and profit that tesco is getting will enable them to expand and be able to provide people with jobs.

The following organisations are also under the tertiary sector ASDA, SAINSBURYS, SOMERFIELD, WOOLWORTH, and NHS. All this are example of organisation that provide services and fall under the tertiary sector. This tertiary sector is really growing because many foreigners are coming into the country, many babies are been born, many people are buying goods and services from tesco.