

COST, REVENUE, AND PROFIT WORKSHEET

CLASS-----

DATE-----

NAME-----

COST, REVENUE, AND PROFIT WORKSHEET

- 1. A cost or obligation that occurs infrequently and varies in amount spent from month to month (entertainment, clothing, gas for your car).**
 - a. Fixed Expense
 - b. Surcharge
 - c. Variable Expense
 - d. Tax

- 2. Which expenditure is a fixed cost for an electronics manufacturer?**
 - a. fees for building maintenance
 - b. monthly rent for a factory
 - c. overtime pay for employees
 - d. snack foods for managers

- 3. What's revenue?**
 - a. costs of selling products or services
 - b. expense to run business
 - c. sales of products or services
 - d. distributions to stockholders
 - e. Assets purchased to run business

- 4. To calculate the net income of a business one must complete which math equation?**
 - a. Revenue - Liabilities
 - b. Revenue - Expenses
 - c. Revenue - Assets
 - d. Assets – Liabilities

- 5. A manufacturer that seeks to maximize its profits will increase production as long as -**
 - a. marginal revenue exceeds marginal costs
 - b. total revenue exceeds total costs
 - c. fixed costs exceed variable costs

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- d. gross revenue exceeds net revenue
- 6. Which term describes the situation when a country's imports exceed its exports?**
- a. Budget deficit
 - b. Budget surplus
 - c. Trade deficit
 - d. Trade surplus
- 7. Which of these is an essential feature of capitalism?**
- a. Government ownership
 - b. Price controls
 - c. Central planning
 - d. Free markets
- 8. Dan's Sandwich Shop sells 100 sandwiches per day at a cost of \$5.50 each. What is his daily total revenue?**
- a. \$5.50
 - b. \$55.00
 - c. \$550.00
 - d. \$100
- 9. Consumer is someone who buys and uses goods.**
- a. True
 - b. False
- 10. Things that are made or grown are _____?**
- a. goods
 - b. nouns
 - c. consumer
 - d. evaporation

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ANSWERS

- 1-C
- 2-B
- 3-C
- 4- B
- 5-A
- 6-C
- 7-D
- 8-C
- 9-A
- 10-A