

Name _____

Chapter 3.2: Profit and Loss in Free Enterprise Worksheet

1. _____ is the amount of money left over after all the costs of production have been paid.
2. What is the profit in this situation: Costs to produce a car: \$5,000. The car sells for \$15,000.
3. What is the total revenue on 5 cars?
4. _____ is when the total cost is greater than the total revenue.
5. What is the loss in this situation: Total revenue from 160 acres: \$100,000. Total costs from 160 acres: \$125,000.
6. What is the total loss on 3 quarters (1 quarter = 160 acres)?
7. If a business is currently earning high profits producing lamps, what are other firms that observe this fact likely to do? Explain.
8. If the price is \$40, number of units sold is 450 and average cost is \$33, what is the profit?
9. If the average cost is \$423, price is \$399 and the number of units sold is 23, what is the loss?