|  |  |  |
| --- | --- | --- |
| Name: |  | Target Stage: |

LO2 – Financial Viability

DNA – Pick a business from the list. What costs the business money?

2.1 – Costs

Write a definition of costs.

****

**Types of Costs**

|  |  |  |
| --- | --- | --- |
| Fixed |  | Examples: |
| Variable |  | Examples: |
| Total |  | Formula: |

**Sir Ramics**

|  |  |  |
| --- | --- | --- |
| Working Out: | | |
| Fixed Costs: | Variable Costs: | Total Costs: |

**Chochoholics**

|  |  |  |
| --- | --- | --- |
| Working Out: | | |
| Fixed Costs: | Variable Costs: | Total Costs: |

**Fix Me Car**

|  |  |  |
| --- | --- | --- |
| Working Out: | | |
| Fixed Costs: | Variable Costs: | Total Costs: |

2.2 Revenue

What is revenue?



What is the formula to calculate revenue?

|  |
| --- |
|  |

Calculate the revenue for the following items.

|  |  |
| --- | --- |
| Calculation | Revenue |
| Sir Ramics: |  |
|  |  |
|  |  |
|  |  |

2.4 – Profit

What is profit?



Profit Formula

|  |  |
| --- | --- |
| Calculations | Profit |
| Sir Ramics: |  |
|  |  |
|  |  |
|  |  |