2.1 Business Basics

Fill in the table with examples of products and services that businesses sell.
Then complete the remainder of the worksheet.

Products	Services

The Profit Equation

REVENUE – EXPENSES = PROFIT/LOSS

The Profit Equation helps us calculate how much profit the company made. In order to make a profit,

your goal is to have _____ revenue and keep your expenses _____ .

Question 1

Sally made $97 in sales, but spent the following setting up her ice cream stand:

Ice cream maker:	$50
Eggs:	$10
Cream:	$10
Sugar:	$5
Cones:	$10
Toppings:	$15

Did Sally make a profit?

_____ - _____ = _____
  Revenue   **Expenses**   **Profit/Loss**

Explain how you know

Question 2

Jimmy spent $75 dollars on ingredients to set up his bakery. He also needs to pay his 2 assistants $50 each in salary for working.

What should his revenue goal be?

Explain your answer. (Multiple correct answers)