

## 5.02 – Just WHAT is PROFIT? Activity

### Identify factors affecting a business's profit

Read the article, *Just What is Profit*, located at [http://www.entre-ed.org/\\_teach/profit.htm](http://www.entre-ed.org/_teach/profit.htm) to complete this worksheet?

What is a misunderstanding about profit?

Complete this sentence. The higher the risk, \_\_\_\_\_.

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### Define the following terms:

**Return on investment –**

**Fixed costs –**

**Examples:**

**Variable costs -**

**Examples:**

**Overhead -**

**Markup -**

**Margin -**

**Write the formula for profit.**

**What decisions can affect profit?**