

NAME: _____ MOD. _____ CHAP. 1
DATE HANDED OUT: _____

PROFIT

DIFFERENCE BETWEEN EARNED INCOME AND COST.

GROSS PROFIT = _____ - _____


NET INCOME = _____ - _____

FINDING NET INCOME

PURCHASE 50 MUGS \$ 3.50 EACH
SELL THE MUGS FOR \$5.00 EACH
WHAT IS YOUR GROSS PROFIT?

EXPENSES AMOUNT TO \$15.00

DO YOU HAVE NET PROFIT OR NET LOSS?
DETERMINE THE AMOUNT.



PURCHASE 250 TOWELS @ 5.00 PER TOWEL
SELL THE TOWELS FOR \$6.50 EACH
YOUR EXPENSES: 14.50 IN ADVERTISING; \$50 IN SALARIES

DO YOU HAVE A NET PROFIT OR NET LOSS?
DETERMINE THE AMOUNT.