**G10 Business Questions: Costs, revenues & profits**

1. Using examples from your own business where possible, explain the difference between fixed and variable costs.
2. A G10 teddy bear business has fixed costs of 245RMB covering rent and advertising. Teddies are bought from Taobao at a cost of 8RMB. Decorative hats are added to them at a cost of 2RMB per teddy bear. The bears are then sold for a price of 20RMB. What profit will the business make if it sells 50 teddy bears? Show your working.
3. If another G10 business, this time one selling cookies, has fixed costs of 136RMB and variable costs are 4RMB per cookie. Calculate the total cost per unit (average cost) for each cookie if they make and sell 500 cookies.
4. Explain why increasing the price of a product may not lead to an increase in total revenue.
5. A third G10 business called Yummy Fruits sells 37 apple snacks for 15RMB each.
6. Calculate the total sales revenue of the business.
7. Yummy Fruits has fixed costs of 50RMB and the costs of making each apple snack is 14 RMB. Calculate the profit made by the business.