# Matching Exercise; Business Revenue and Costs

## Match the definition to the term. Then match the examples.

Under each term write the number and letter of the definition and example that matches

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| Term | Definition | Examples |
| **Revenue** | 1. An amount that remains more or less unchanged irrespective of the output level or sales revenue, |  |
| **Costs** | 1. An amount that remains fixed up to a certain volume, after which it becomes variable. OR which has both a fixed cost and a variable cost element. |  |
| **Fixed Costs** | 1. The addition of all costs-direct and indirect, | 1. Phone charges. Overtime (wages) |
| **Variable Costs** | 1. An amount that has to be paid or given up in order to get something. | 1. labour, material, fuel or power |
| **Semi Variable Costs** | 1. An expense that can be traced directly to (or identified with) a specific cost center. | 1. raw material, energy usage, labour, distribution costs |
| **Direct Costs** | 1. An expense incurred in joint usage and, therefore, difficult to assign to or identify with a specific cost object or cost center. | 1. advertising, computing, maintenance, security, supervision |
| **Indirect Costs** | 1. The income generated from sale of goods or services, | 1. depreciation, insurance, interest, rent, salaries, and wages. |
| **Total Costs** | 1. A cost that changes in step with the output or the [sales revenue](http://www.businessdictionary.com/definition/sales-revenue.html) of a [company](http://www.businessdictionary.com/definition/company.html). |  |

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| 1. What is the formula for calculating total revenue? |  |
| 2. What is the formula for calculating total costs? |  |
| 3. What is the formula for calculating unit contribution? |  |
| 4. What is the formula for calculating total contribution? |  |
| 5. What is the formula for calculating break even? |  |
| 6. What is the formula for calculating margin of safety? |  |
| 7. What is the formula for calculating profit? |  |