

Profit at the Shop

Trace how a business owner can earn income from profit.

SS.4.FL.1.6 "Describe ways that people who own a business can earn a profit, which is a source of income."

NAME _____

DATE _____

1 READ AND MARK

Read it twice

YOUR JOB Underline each action Jordan could take to earn more profit. Circle the words that explain how an action can leave money after expenses are paid.

Rolling Wheels Makes a Profit

- ① Jordan owns a small bike-repair shop called Rolling Wheels. Customers pay Jordan to fix flat tires, adjust brakes, and replace worn chains. The money from customers is called sales money. Jordan uses some of that money to buy parts, pay for electricity, and rent the shop space. These costs are business expenses that keep the shop open.
- ② One week, sales money totals \$900. Jordan's expenses total \$650. After paying expenses, \$250 is left. That \$250 is profit. Jordan can use profit as income, meaning money the business owner earns. Jordan may save some profit for future repairs or take some home to help pay personal bills, such as food and housing costs.
- ③ Jordan can earn more profit in several ways. Jordan might sell more repair services by keeping regular customers happy and telling new customers about the shop. Jordan could also offer useful items, such as bike lights, if the sales money is more than the cost of buying them. Another way is to lower expenses, perhaps by wasting less electricity. Raising prices can help only if enough customers still choose the shop.

2 ANSWER WITH EVIDENCE _____ Use the passage

1 Jordan had \$900 in sales money and \$650 in expenses. How much profit was left?

2 Why is profit a source of income for Jordan?

3 What must be true for selling bike lights to help Jordan earn a profit?

4 Describe one action Jordan could take to increase profit and tell how it helps.

3 YOUR TURN _____ Your own words

Imagine that you own a business. Name the business and describe two actions you could take to earn a profit. Explain how each action helps your sales money become greater than your expenses.

PART 1 • READ AND MARK

Underline each action Jordan could take to earn more profit. Circle the words that explain how an action can leave money after expenses are paid. Accept any marking that follows this job and points at the right text.

PART 2 • ANSWERS

#	QUESTION	ANSWER
1	Jordan had \$900 in sales money and \$650 in expenses. How much profit was left?	\$250 in profit was left.
2	Why is profit a source of income for Jordan?	Profit is money left after expenses are paid, and Jordan can take some of it home to pay personal bills.
3	What must be true for selling bike lights to help Jordan earn a profit?	The sales money from the bike lights must be more than the cost of buying them.
4	Describe one action Jordan could take to increase profit and tell how it helps.	Answers may include selling more repair services to bring in more sales money, offering useful items that sell for more than they cost, lowering expenses by wasting less electricity, or raising prices while keeping enough customers.

PART 3 • YOUR TURN (SAMPLE ANSWER)

I own a dog-walking business. I will offer weekend walks to earn sales money from more customers, and I will plan nearby walks together to spend less on travel. More sales money and lower expenses can leave profit for me as the owner.

Accept any reasonable business and two accurate profit-making actions. The response should explain that increasing sales money, lowering expenses, or both can leave profit after expenses are paid.