









Total Revenue = \$140,000 Explicit Costs = 100,000



Leo's  
Time

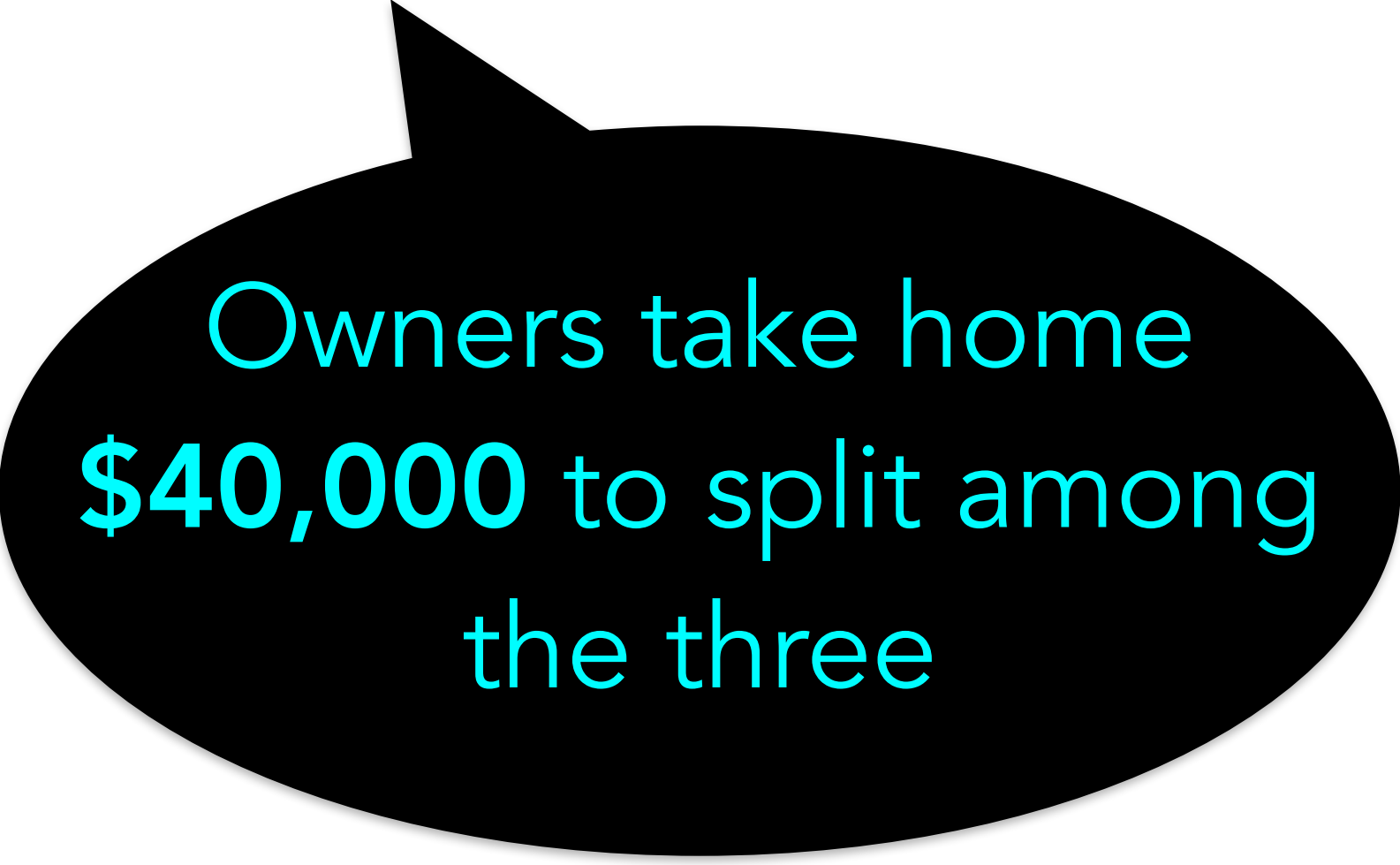
Winston's  
Money

Jose's  
Land

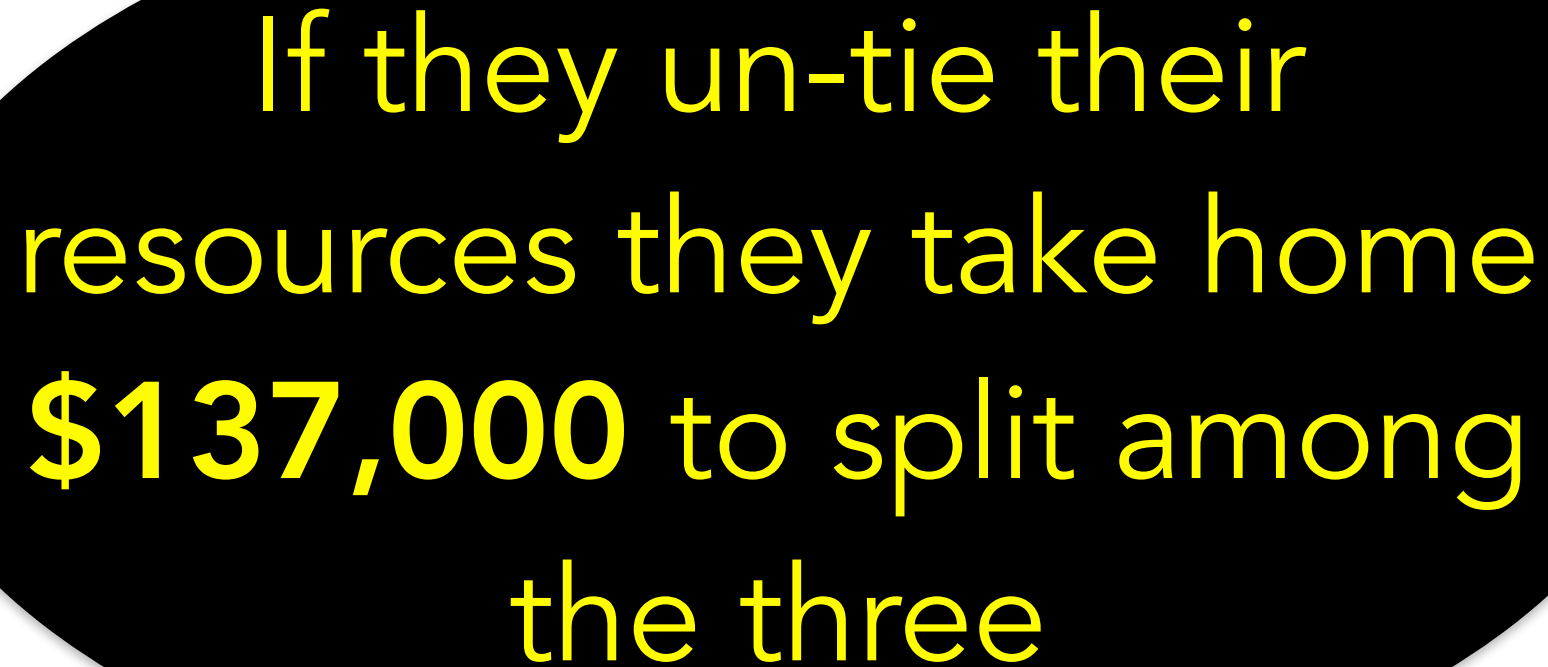


**Implicit Costs**  
**\$137,000**

$$\text{Accounting Profit} = \text{TR} - \text{Explicit Costs}$$



Owners take home  
**\$40,000** to split among  
the three



If they un-tie their  
resources they take home  
**\$137,000** to split among  
the three



$$\text{Accounting Profit} = 140,000 - 100,000 = 40,000$$

Leo's  
Time

Winston's  
Money

Jose's  
Land

Implicit Costs  
\$137,000

If they un-tie their  
resources they take home  
**\$137,000** to split among  
the three

Owners take home  
**\$40,000** to split among  
the three

Accounting Profit=  $140,000 - 100,000 = 40,000$

Accounting Profit=  $TR - \text{Explicit Costs}$

Total Revenue =  $\$140,000$  Explicit Costs =  $100,000$



