

# Checklist

## What you should know

By the end of this subtopic, you should be able to:

- define the following terms: (AO1)
  - costs
  - fixed costs
  - variable costs
  - total costs
  - sales revenue
  - expected value
  - contribution
  - cost centre
  - profit centre
  - expected value
- distinguish between fixed costs, variable costs, semi-variable costs, direct costs and indirect costs, using examples (AO2)
- distinguish between revenue and revenue streams, using examples (AO2)
- prepare a decision tree and recommend a course of action for a business based on the results (AO4, AO3)

