IGCSE Economics: **w25 12**

15 When it produces 100 units, a firm's total variable cost is \$300 and its total fixed cost is \$2700.

What is the average total cost?

A \$3 **B** \$24 **C** \$27 **D** \$30

IGCSE Economics: **w25 13**

17 Which role is **not** performed by a government?

A paying dividends to shareholders

B promoting international trade agreements

C providing state benefits

D subsidising merit goods

IGCSE Economics: **s25 12**

13 What are fixed costs?

A costs that are divided by the amount produced

B costs that are present when output is zero

C costs that change according to the level of output

D costs that decrease when output increases

IGCSE Economics: **w24 11**

16 What is the definition of profit maximisation?

A The firm is allocating a proportion of profit to other business objectives.

B The firm is making as much profit as possible.

C The firm is making higher levels of profit this year than last year.

D The firm is making the same amount of profit this year as last year.