IGCSE Economics Name: ______________ Score: ______

1. Which are functions of money? (Select all that apply.)
   - ☐ medium of exchange
   - ☐ store of value
   - ☐ unit of account
   - ☐ source of pollution

   Tick every correct option.

2. Saving is best defined as:
   - ☐ income that is not spent
   - ☐ money borrowed from a bank
   - ☐ total income
   - ☐ spending on luxuries

3. In a free labour market, wages are determined by:
   - ☐ the demand for and supply of labour
   - ☐ the government alone
   - ☐ the weather
   - ☐ the price of oil

4. Limited liability means that, if a company fails, shareholders:
   - ☐ can lose only the amount they invested
   - ☐ lose their houses too
   - ☐ pay all the company's debts personally
   - ☐ lose nothing at all

5. Productivity is best defined as:
   - ☐ output per worker
   - ☐ total output
   - ☐ the number of workers
   - ☐ total revenue

6. Which is a fixed cost?
   - ☐ factory rent

- ☐ raw materials
- ☐ electricity used by machines
- ☐ hourly wages

7. 8 workers produce 240 units a day. What is productivity (units per worker)?

   ____

8. A firm sells 300 units at 4 each. What is total revenue?

   ____

9. Low-income households tend to spend a larger proportion of their income than high-income households.

   ☐ True ☐ False

10. Which are non-wage factors affecting job choice? (Select all that apply.)

   - ☐ job satisfaction
   - ☐ working hours
   - ☐ job security
   - ☐ the rate of pay

   Tick every correct option.

IGCSE Economics

1. **medium of exchange; store of value; unit of account**

   Money is a medium of exchange, store of value, unit of account and standard of deferred payment.

2. **income that is not spent**

   Saving is the part of income not consumed.

3. **the demand for and supply of labour**

   Wages are the price of labour, set by demand and supply.

4. **can lose only the amount they invested**

   Their loss is limited to their investment.

5. **output per worker**

   Productivity measures efficiency — output per worker (or per machine).

6. **factory rent**

   Rent does not change with the level of output — a fixed cost.

7. **30**

   $240 / 8 = 30$ units per worker.

8. **1200**

   Revenue = price × quantity = $4 \times 300 = 1200$.

9. **True**

   They have little left over to save.

10. **job satisfaction; working hours; job security**

    Pay is the wage factor; the others are non-wage factors.