**Case study: ML INC. II**

​In her second month of trading, Mona Lott continued to sell t-shirts at £12 per unit. She noticed that despite her sales increasing she actually made less profit than the previous month, so she wrote down all her finances to try to work out why.

The company that ran her website charges £100 per month, the postage and packaging was £848 (£2 per unit), the raw materials cost £1696 (£4 per unit) and she also pad herself a wage of £1,000 as she had been working so hard.

**1.** Calculate her revenue for the month

**2.** Calculate her fixed costs for the month

**3.** Calculate her variable costs for the month

**4.** Calculate her total costs for the month

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**5.** Calculate her profits for the month

**Stretch & challenge:** What could have caused ML INC. to make a smaller profit in a month where revenues were higher?