A Read the text.

Recently, I did some research and discovered that budgeting is very important in managing your money.

There are many reasons to keep a budget. When you budget, you know where your money is going. You can save more money in the future because you can identify if you are being wasteful or spending money unnecessarily. If you are being wasteful, you can rectify the problem.

Maintaining a budget is a good habit. It will come in handy when you are an adult. When you grow older, you may have credit card payments and loans to pay. A budget will help you meet these payments. It will also help avoid any financial crisis. Even if you do face a financial problem, you can deal with it early and avoid undue stress.

There are three steps to prepare for your budget. First, calculate all the money you earn in a month. Next, figure out all your expenses. Finally, compare your expenses with your earnings. Do they match up, or do you have to cut down on your expenses?

Don't dismiss the importance of budgeting. It not only prevents overspending but also helps you reach your financial goals.

B Write True or False for the following statements.

1 Keeping a budget prevents overspending _____

2 Budgeting is a habit you should learn as an adult. _____

3 Loans can be avoided if you learn to maintain a budget from young. _____

4 Maintaining a budget also helps reduce stress. _____

5 Having financial goals will encourage overspending. _____

C Guess the meaning of the words found in the text.

crisis wasteful rectify handy undue dismiss

Meaning	Words from text
1 to put right	
2 not saving or keeping something that could be used	
3 refuse to consider an idea	
4 more than necessary	
5 a situation in which there are a lot of problems	
6 useful	

LIVEWORKSHEETS