

Name: _____

Grade: _____

Date: _____

Subject: Financial Literacy

Instructions: Write your answers in the spaces provided. All questions are to be answered.

1. James Brown have the following income and expenses for month of March 2022:

	\$
Salary	2 500
Rent	700
Electricity	85
Interest received	15
Internet	75
Food	500
School fee	250
Insurance	350
Commission received	320
Sundry expenses	180
Gasoline	160

- a. How much is the total income? _____ [1]
- b. How much is the total expense? _____ [1]
- c. How much is the surplus? _____ [1]
- d. James Brown saves 15% of his income every month. How much is his savings? _____ [1]

2. Use the following words to fill in the blanks: **income, compare, expenses, crucial, avoid, budgeting, choices.**

Personal finance is about making intelligent _____ with your money. One of the most important parts of personal finance is _____. Budgeting is the process of creating a spending and saving plan. A budget helps you to track your _____ and _____. Budgeting also help us _____ debt. Overall, budgeting is a _____ part of personal finance. We can _____ our income and expenses in order to have a clear picture of where our money is going. [7]

3. Three things to consider when managing debts are: _____, _____ and _____. [3]
4. Two examples of debt are _____ and _____. [2]
5. It is important that we make our debt payment on _____, in order to avoid _____. [2]
6. Peyton borrowed \$15, 500 to pay for her college tuition. The loan is for 10 years at a rate of 15% simple interest per annum.
- a. How much is the interest payment for the ten years? _____ [1]
- b. How much is the total repayment? _____ [1]