

## QUICK QUIZ – INCOME, EXPENSES AND BUDGET

Name:  Class/Block:  Date:

**1.** Define the words:

- a. income \_\_\_\_\_
- b. income after deductions \_\_\_\_\_

**2.** Circle the two most common sources of income for secondary school students:

Lottery winnings      Employment income      Social insurance      Gifts

**3.** How will your education and career goals affect the income you're able to earn?

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**4.** Expenses are:

- a. Everything you spend money on
- b. Things you need to buy for healthy living
- c. Things you need to save money for
- d. Things you buy on an expense account

**5.** Name three common expenses for an average family.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**6.** Fill in the blank spaces with the correct word:

- a. \_\_\_\_\_ expenses are expenses that generally stay the same from month to month like rent, telephone, transit passes and car payments.
- b. \_\_\_\_\_ expenses are expenses that usually vary from month to month, like the amount spent on food, entertainment or clothing.

**QUICK QUIZ – INCOME, EXPENSES AND BUDGET (cont'd)**

**7.** Why are savings included as an expense item by many people?

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**8.** Name three deductions taken from a paycheque that go to the federal, provincial or territorial government.

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**9.** If you do not have income tax deducted by an employer, how do you pay income tax?

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**10.** How can keeping track of your needs and wants help you control your expenses?

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**11.** Personal budgets usually have two major categories. They are \_\_\_\_\_ and \_\_\_\_\_ .

**12.** Which of the following statements is false? (circle the incorrect statement)

- a. A budget allows people to find out where to reduce spending on “wants” in order to leave money for “needs.”
- b. A budget gives people extra money to buy more things.
- c. A budget allows people to plan accurately for their future and gives them confidence in their ability to manage their finances.
- d. A budget compares expenses with income to show whether they will produce a surplus or a deficit.

**13.** What do the following terms mean when used in relationship to a budget?

- a. surplus \_\_\_\_\_
- b. deficit \_\_\_\_\_

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