

Income and Expenses

Login to **Banzai**, click Banzai **Middle School Personal Finance**, and scroll down to the library section. Read the **Planning for Expenses** article and use it to answer the questions below.

1. This article uses the word “income” but doesn’t define it. What do you think it means?

2. What is NOT an example of an expense?

- a. Phone bill
- b. A gift your grandmother gave you
- c. Rent
- d. A sandwich you bought for lunch
- e. None of the above

3. If you spend more than you have, your cash flow will be positive.

- a. True
- b. False

4. Will your budget always be the same?

- a. Yes, a good budget never changes.
- b. No. Income and expenses change, so your budget changes, too.
- c. Neither A nor B

5. If you’re headed toward a negative cash flow, what are the two ways to reverse your situation?

6. In your opinion, what are two ways you can increase your own income?
