

# YOUR BUDGET QUIZ

Want to get sharp about your finances?  
Take our budgeting quiz to see just how much you really know.

1

## WHY DO PEOPLE NEED A BUDGET?

- A Because they don't earn enough money
- B So they can keep track of how much they spend
- C So they can shop more

2

## WHAT IS NET INCOME?

- A The same thing as gross income
- B Money SARS takes
- C Money earned after tax has been deducted

3

## WHAT'S THE BEST WAY TO BEGIN A BUDGET?

- A By guessing how much you spend monthly
- B By gathering salary slips, bills, as well as food, petrol and other kinds of receipts
- C By thinking about what you plan to spend on in the future

4

## HOW CAN YOU START TO SAVE MORE MONEY?

- A By taking a loan from the bank
- B By cutting down on luxuries such as restaurant meals or nights out
- C By borrowing money from a friend

5

## AFTER MAKING A BUDGET, WHAT SHOULD YOUR NEXT STEP BE?

- A There's nothing more you can do
- B Carry on spending the same amount
- C Make a goal budget

Find the **answers**  
on the next page

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# ANSWERS

1

## WHY DO PEOPLE NEED A BUDGET?

- B** So they can keep track of how much they spend

A budget is a plan to keep track of your money. It helps you compare your income (how much money is coming in) and your spending (how much money is going out). That way, you can see where you can save and exactly how much you spend.

2

## WHAT IS NET INCOME?

- C** Money earned after tax has been deducted

Your net income is money earned after subtracting tax. Gross income is money earned before tax is deducted.

3

## WHAT'S THE BEST WAY TO BEGIN A BUDGET?

- B** By gathering salary slips, bills, as well as food, petrol and other kinds of receipts

Take some time to make a budget by looking at your income compared to all your expenses.

4

## HOW CAN YOU START TO SAVE MORE MONEY?

- B** By cutting down on luxuries such as restaurant meals or nights out

These are non-essential items or treats that add a lot to your monthly expenses and can easily be reduced. Extra clothing, movies, clubs, theatre shows and restaurant meals (including meals bought from canteens or vendors) all count as luxuries. It's never a good idea to borrow money from a friend or take a loan from the bank to pay for luxuries.

5

## AFTER MAKING A BUDGET, WHAT SHOULD YOUR NEXT STEP BE?

- C** Make a goal budget

A goal budget is a great way to begin saving towards necessities such as retirement, university or your own home, as well as luxuries such as Christmas presents and even those shoes you've had your eye on.

## HOW TO BUILD A GOAL BUDGET



Identify places where you can cut down on your expenses in order to save. For example, you can reduce the amount you spend on restaurant meals by eating at home, or meeting friends in the park rather than going to the movies.



Write down your goals and how much is needed for you to achieve these goals.



Think about how long you would need to achieve your goals. For example, if you need R20 000 to pay towards university fees, how long would you need to be saving for in order to reach your goal?

