

Managing Your Finances Quiz Key

Matching:

- a. asset
- b. budget
- c. cash flow
- d. equity
- e. finance
- f. income
- g. liabilities
- h. liquidity
- i. need
- j. net worth
- k. wants

- b 1. Process of forecasting future income and expenses
- i 2. Basics of life such as shelter, food, clothing.
- f 3. Money received from wages, allowance, investments, child support or gifts.
- j 4. Assets – liabilities =
- g 5. Money you owe or debt
- c 6. Money that comes in through income and goes out through expenditures
- k 7. Things you spend money on that make your life more comfortable
- a 8. Things you own such as your home, cars, collections or things of value.
- d 9. Ownership
- e 10. When you borrow money to make a large purchase

Multiple Choice

- a 11. When you die, what is important to your heirs?
- a. Financial records
 - b. Personal financial plan
 - c. Establishing your income

Name: _____ Period: _____ Date: _____

c 12. Which component of building a solid future is important if you are in an accident.

- a. Budgeting and taxes
- b. Personal financing
- c. Protecting your assets

b 13. The average American spends the largest percent of their income on

- a. Food
- b. Housing
- c. Transportation

a 14. If you take money out of a savings account to pay for a car repair, we call that.

- a. Liquidity
- b. Financing
- c. Net worth

c 15. The most common way to manage risk to protect your assets is

- a. Savings account
- b. Safe deposit box
- c. Insurance

c 16. Many people who do not have savings ____ for emergencies.

- a. Sell some valuables
- b. Borrow from a neighbor
- c. Use credit cards

c 17. Which is NOT true? When saving for retirement__.

- a. You can put off paying taxes on retirement savings until retirement.
- b. The younger you start saving for retirement the more time for your money to grow.
- d. The older you are when you start saving for retirement, the younger you are likely to retire.