

B1

What is the definition of interest?

Answer: _____

What is the purpose of a budget?

Answer: _____

What are fixed expenses?

Answer: _____

What are variable expenses?

Answer: _____

What is the difference between gross income and net income?

Answer: _____

Why is it important to save money?

Answer: _____

How can you reduce your expenses?

Answer: _____

What is a credit score?

Answer: _____

What are the consequences of having a low credit score?

Answer: _____

What is the concept of inflation?

Answer: _____

Answers

What is the definition of interest?

Answer: The cost of borrowing money.

What is the purpose of a budget?

Answer: To plan and control spending.

What are fixed expenses?

Answer: Expenses that remain the same every month.

What are variable expenses?

Answer: Expenses that can change from month to month.

What is the difference between gross income and net income?

Answer: Gross income is the total amount earned before deductions, while net income is the amount left after deductions.

Why is it important to save money?

Answer: To have financial security and achieve future goals.

How can you reduce your expenses?

Answer: By cutting unnecessary expenses and finding ways to save on daily expenses.

What is a credit score?

Answer: A numerical representation of one's creditworthiness.

What are the consequences of having a low credit score?

Answer: Difficulty in obtaining loans or credit cards, higher interest rates, limited financial opportunities.

What is the concept of inflation?

Answer: The rate at which the general level of prices for goods and services is rising, causing purchasing power to fall.