

Name: _____

Let's Practice Budgeting!

Learn how to breakdown a budget plan comparing income and expenses! Take a look at the scenarios below and answer the following questions. TIP: Highlight the important information.

Sample Budget

Kulvir is a thirteen-year-old who wants to start a lemonade stand to make money to buy a pre-owned cellphone. The pre-owned cellphone is \$550 with taxes. Before selling lemonade, Kulvir must balance his budget by listing his expected expenses.

• 3 pounds of lemons	• \$2.00 per pound
• 1kg bag of white sugar	• \$3.25
• 100 paper cups	• \$0.10 per cup + tax
• 2 plastic/reusable jars to hold the lemonade	• \$5.00 per jar + tax
• 4 bags of ice	• \$1.10 per bag + tax

Expenses:

What is the total cost of Kulvir's expenses? _____

Income:

a. If Kulvir sells 100 cups of lemonade at \$5.00 a cup, how much money did Kulvir profit?

b. Did Kulvir make enough money to buy the pre-owned cellphone?

c. What are some ways Kulvir could have made more profit? (Think of the small changes you and families do to save money!)

Let's Practice Budgeting! Answer Key

Expenses:

What is the total cost of Kulvir's Expenses? **\$36.82**

Income:

- a. If Kulvir sells 100 cups of lemonade at \$5.00 a cup, how much money did Kulvir profit?
\$463.18
- b. Did Kulvir make enough money to buy the pre-owned cellphone? **No**
- c. What are some ways Kulvir could have made more income? (Think of the small changes you and families do to save money!)
Buy items on sale, charge more money, buy items in bulk and sell lemonade multiple days)