

DRAWING UP A BUDGET

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A budget spending plan that you draw up once a month. It tells you how much money you have left over after you have paid your expenses. In other words it is your income and expenditure within a period of time.

CHALLENGE!



See whether you can draw up a budget for the following case study.

Brian Adams is a seventeen year old high school boy who has a part time job at Shoprite over weekends. He earns R720 per month and sometimes even more because he works overtime. He spends:

- ◆ R180 for airtime
- ◆ R70 for toiletries,
- ◆ R80 for movie tickets
- ◆ R50 for luxuries and
- ◆ R300 for clothing

Besides his salary of R720 per month he also receives extra income from :

- ◆ Washing his neighbour's car for R30 and
- ◆ Extra shifts at Shoprite R100

Questions:

1. List all Brian's sources of income. _____

2. List all Brian's expenses. _____

3. To prioritise means to list or do the most important things first. Look at Brian's list of expenses and order the items from most important to least important.

4. Write down two other sources of personal income for Brian.

THINK A BIT!

Complete Brian's budget by answering each section below.

Budget for Brian		Month of October	
Sources of Income	Amount	Expenses	Cost
1. Part time job	R720	1. Airtime	R180
2. _____	_____	2. _____	_____
3. _____	_____	3. _____	_____
		4. _____	_____
		5. _____	_____
Total	_____	Total	_____

1. What is Brian's a) Monthly Income _____

b) Monthly Expenses _____

2. How much money does he have left over after paying all his monthly expenses?

3. He wanted to buy himself a pair of takkies costing R599. If he saves R200 per month, how long would it take for him to raise the amount needed to buy the takkies? (*show all calculations*) _____