Middle School Finance Fundamentals

Finance · Practice Test · 12 Questions

1. What is the term for money that a person earns from their job or business?

A) Expense
B) Savings
C) Income
D) Debt

2. Which of the following is an example of a fixed expense, meaning it generally stays the same each month?

A) Groceries
B) Entertainment tickets
C) Rent or mortgage payment
D) New clothing

3. When you decide to save a portion of your money instead of spending it immediately, what are you doing?

A) Investing
B) Borrowing
C) Budgeting
D) Saving

4. What is a budget primarily used for?

A) To spend as much money as possible
B) To track where money is coming from and going
C) To borrow money from others
D) To make money grow automatically

5. Which of these is an example of earning money through labour?

A) Receiving a birthday gift
B) Winning a competition
C) Doing chores for pocket money
D) Finding money on the street

6. What does it mean to 'spend wisely'?

A) Buying the most expensive items
B) Buying things you don't need
C) Thinking carefully about purchases and their value
D) Spending all your money quickly

7. When you buy something, what is that action called in financial terms?

A) Earning
B) Saving
C) Spending
D) Budgeting

8. Which of the following is a variable expense, meaning it can change from month to month?

A) Car insurance premium
B) Student loan repayment
C) Electricity bill
D) Mobile phone plan

9. What is the term for money that is owed to someone else?

A) Profit
B) Savings
C) Income
D) Debt

10. A planned amount of money set aside for a specific purpose is called a:

A) Budget
B) Expense
C) Goal
D) Fund

11. Which financial concept involves using money to potentially make more money over time?

A) Saving
B) Spending
C) Investing
D) Budgeting

12. What is the difference between income and expenses called?

A) Interest
B) Profit
C) Loss
D) Net income