

# Where Does Your Money Go?

## Pre-reading

### Questions:

- Where does your money go?
- Do you have a spending and saving plan?

### Definitions:

- Remain – to be left
- Finances – management of money

## Reading

Kate used to worry about money. By the end of the month, little remained.

14 Making a budget has helped. Kate now knows where her money goes. She knows  
28 what she needs to save. She feels more in control.

38 Kate has many monthly bills. The cable bill is \$55.18. The phone bill is  
52 \$60.57. The electricity bill is \$90.54. The rent is \$500.00. Kate pays her bills  
66 before the due date. She does not like to pay late fees. They can be costly.

82 Some bills need to be paid only once or twice a year. Kate gets a bill for car  
100 insurance twice a year. She needs to pay \$250.00 in May and November. Kate plans  
115 for this **expense**. She saves \$50.00 each month. The money is ready when the bill  
130 comes.

131 Kate is pleased with her finances. She is proud of her saving and spending  
145 plan. She knows how much money is coming in each month. She knows how much  
160 money is going out each month. The budget is based on her **income** and expenses.

175 Kate knows she is able to pay her bills. Some months, she even has money  
190 left-over! Life is good.

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## Understanding

1. What does the word **expense** mean? \_\_\_\_\_  
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2. Why does Kate pay her bills before they are due? \_\_\_\_\_  
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3. What does the word **income** mean? \_\_\_\_\_  
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4. How does Kate plan for larger bills? \_\_\_\_\_  
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5. What is a budget? \_\_\_\_\_  
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## Writing

Choice A: How do you use your money?

Choice B: How does Kate use her money?

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