

Cost of living

**Exercise 1: Classifying Exercise**

Divide these phrases/words into two groups: Income and Savings and Expenses and Debts. Write each one under the right column.

utilities, debt, balance the budget,  
affordable, increasing cost,  
savings, income, run out of money, groceries,  
spending too much, expenses, budgeting

Income and Savings	Expenses and Debts

**Exercise 2: Gap Fill Multiple Choice Exercise**

Fill in the gaps using the right word/phrase from the choices given.

1. We need to reduce our \_\_\_\_\_ if we want to save more money.  
A. income B. savings C. expenses
2. The \_\_\_\_\_ of food, rent, and utilities is increasing every year.  
A. balance B. cost C. affordable
3. If we do not control our shopping habits, we might \_\_\_\_\_.  
A. run out of money B. balance the budget C. income
4. If our \_\_\_\_\_ is less than our expenses, we might fall into debt.  
A. utilities B. groceries C. income

**Exercise 3: Questionnaire Activity**

Answer the following questions using the words/phrases given.

1. How would you handle increasing cost of groceries when budgeting?  
\_\_\_\_\_
2. What would you do if you run out of money before the end of the month?  
\_\_\_\_\_
3. How can you prevent spending too much on non-essential items?  
\_\_\_\_\_
4. What strategies might you use to keep utilities expenses affordable?  
\_\_\_\_\_
5. If your income was less than your expenses and you were in debt, what steps would you take to balance the budget?  
\_\_\_\_\_

