



Financial Literacy for Young Adults

Reading Worksheet — Level C | tahricteaches.com

Money is part of everyday life. When you are young, it is smart to learn how to use money well. This skill is called financial literacy. It means you know how to earn, save, and spend in a wise way. Good money habits start early and last for many years.

Most people get money from a job. The money you get is called your **income**. Some young adults earn income from part-time work. It feels good to buy fun things. But if you spend too much, you will have nothing left. You must think before you buy.

A **budget** is a simple plan for your money. It shows how much you can **spend** and how much you can keep. First, write down your income. Then write down your bills and needs. The money that is left can go to your wants or your savings.

It is smart to keep money each month. When you **save**, you hold money for later. You can set a **goal**, like a new phone or a trip. A goal helps you stay strong when you want to buy things. Put your extra money in a bank to keep it safe.

Learning about money takes time. Start small and be patient. Track what you earn and what you spend. Talk to your family about their money habits. When you build a budget and save a little each week, you will feel calm and ready for the future.

A. Vocabulary

- | | |
|-------------------|--|
| 1. budget ____ | a. get money by working |
| 2. save ____ | b. take money you must pay back later |
| 3. spend ____ | c. something you want to reach or achieve |
| 4. income ____ | d. extra money you pay when you borrow, or get when you save |
| 5. earn ____ | e. simple plan showing how much money to spend and save |
| 6. expense ____ | f. keep money to use later instead of spending it now |
| 7. goal ____ | g. use money to buy things |
| 8. bank ____ | h. money you get from work or other sources |
| 9. borrow ____ | i. money you pay for things you need or want |
| 10. interest ____ | j. place that keeps your money safe |

B. True or False

- | | |
|--|--|
| ___ 1. Financial literacy means knowing how to use money well. | ___ 2. Income is money you get from a job or work. |
| ___ 3. A budget is a plan for your money. | ___ 4. You should spend all your money and save nothing. |
| ___ 5. When you save, you keep money for later. | ___ 6. A goal can help you stay strong when you want to spend. |

___ 7. You should keep all your money at home instead of a bank.

___ 8. Good money habits should start only when you are old.

___ 9. If you spend too much, you will still have lots of money left.

___ 10. Borrowing money means you never have to pay it back.

C. Fill in the Blanks

Word Bank: income, budget, save, goal, bank, spend, earn, borrow

1. Your _____ is the money you get from a job.
2. A _____ is a simple plan for your money.
3. When you _____ money, you keep it for later.
4. A _____ helps you stay strong, like buying a new phone.
5. Put your extra money in a _____ to keep it safe.



D. Comprehension Questions

1. What is a budget?
2. Where do most people get their money?
3. Why is it smart to set a goal for your savings?

E. Discussion Questions

1. What is one money goal you would like to save for, and why?
2. What is one good money habit you could start this week?



Answer Key

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A. Vocabulary: 1-e, 2-f, 3-g, 4-h, 5-a, 6-i, 7-c, 8-j, 9-b, 10-d

B. True/False: 1-T, 2-T, 3-T, 4-F, 5-T, 6-T, 7-F, 8-F, 9-F, 10-F

C. Fill Blanks: 1-income, 2-budget, 3-save, 4-goal, 5-bank

D. Comprehension:

1. A budget is a simple plan that shows how much money you can spend and save.
2. Most people get their money from a job or work.
3. A goal helps you stay strong so you do not spend money you want to keep.

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