

Date

Income and Expenses

**Activity G**

Sanele earns R8000 a month from his job as a manager in a supermarket. Sanele also has an amount of R30 000 invested at a bank. He receives 6,9% p.a. interest on this investment, which is R172,50 per month.

Each month Sanele must pay:

- R2000 to the bank for his car loan
- R3500 to the bank for his house loan
- R1800 for water and electricity
- R1000 on his clothing account
- R2800 for food and groceries
- R500 to his gardener

p.a. – per annum = each year

**Answer the following questions:**

1. Make a list of Sanele's income.
2. Make a list of Sanele's expenses.
3. What is Sanele's total income?
4. How much are Sanele's total monthly expenses?
5. Sanele needs to reduce his monthly expenses. Which expenses do you think Sanele should reduce? Give reasons for your answers.