**Section 2.1: Expenses**

**Deductions** are paid out of the **Gross pay**, and **Net pay** is what remains.

**Living expenses** are what is paid out of the Net pay.

Living expenses include any expense that you pay out, essential expenses and non-essential expenses.

Can you think of some essential expenses?

Can you think of some non-essential expenses?

**Paying Expenses:**

Spreadsheets can be a valuable tool in keeping track of expenses.

Look over the spreadsheets on page 35.

Spreadsheets include a column for incoming money (pay), outgoing money (expenses) and a balance.

Use the spreadsheets on page 35 to answer questions 1 – 6 on page 36.

When completed do the practice questions 7 – 11 on page 37