What is a Personal Cash Flow Statement?

Worksheet

A Personal Cash Flow Statement tracks monthly income minus monthly expenses, showing whether you are saving money or overspending each month.

Questions

1. Income 5,000, expenses3,200. Cash flow?

A) $1,800 surplus
B) $2,000 surplus
C) $3,200 deficit
D) $5,000 surplus

2. What is included in monthly expenses?

A) Only rent
B) Rent, food, utilities, transportation, entertainment
C) Only utilities
D) Future investments

3. Negative cash flow means

A) no income
B) earning more than spending
C) spending more than earning
D) perfect budget

4. Best use of positive cash flow?

A) Ignore it
B) Spend on luxuries
C) Save or invest the surplus
D) Loan to friends

5. Monthly income 4,500. Expenses: rent1,200, food 400, utilities150, transportation 300, entertainment200. Find cash flow.

6. Salary 3,000. Rent900, groceries 300, phone50, gas 200, credit card100, dining out $250. Calculate cash flow.

7. Income 6,000. Expenses total6,500. What is your cash flow?

8. Define: What does a Personal Cash Flow Statement show?

9. Define: What is positive cash flow?

10. Define: What is negative cash flow?

Answer Key

1. A) \$1,800 surplus — 5,000 −3,200 = \$1,800 surplus.
2. B) Rent, food, utilities, transportation, entertainment — Cash flow includes all recurring monthly expenses.
3. C) spending more than earning — Negative cash flow shows you are spending more money than you are earning.
4. C) Save or invest the surplus — Positive cash flow surplus should be saved or invested for future financial security.
5. Total Expenses = 1,200 +400 + 150 +300 + 200 =2,250 Monthly Cash Flow = 4,500 −2,250 = \$2,250 (surplus)
6. Total Expenses = 900 +300 + 50 +200 + 100 +250 = 1,800 Cash Flow =3,000 − 1,800 =1,200 (positive)
7. Cash Flow = 6,000 −6,500 = −\$500 (deficit — spending more than earning)
8. Monthly income minus monthly expenses, showing if you are saving or overspending.
9. When income exceeds expenses — you have surplus money to save or invest.
10. When expenses exceed income — you are overspending and depleting savings.