

Answer Key for Activity Sheet 4 for Financial Words

PILINUT PRESS, INC.

Name: _____

1. Definition match. Draw a line between the word and its definition.

bills	a sum of money which must be repayed with interest
borrow	a loan of money specifically for buying a house
interest	receive money as a loan
credit	an accounting entry showing money owed
debit	statements of charges
mortgage	additional money charged for failure to meet contract terms
loan	property owned such as cash, inventory, real estate, equipment
debt	money paid for the use of money
fees	charges; payments for services
asset	an accounting entry showing money paid
liability	something owed; an amount of money which must be paid
penalty	money owed; debts, losses, capital stock

2. Write each word from the list in the first exercise in alphabetical order.

asset, bills, borrow, credit, debt, debit, fees, interest, liability, loan, mortgage, penalty

3. Complete the word in the sentence using a word from the list below. Each word is used only once.

asset bills borrow credit debt debit fees interest liability loan mortgage penalty

- A. Many fees must be paid to get a mortgage.
- B. The loan paperwork stated I would pay a penalty if I was late in paying.
- C. Sarah budgeted enough money to cover her monthly bills.
- D. Tom wanted to borrow money to buy a new car.
- E. The bank counted John's cash in his savings account as an asset.
- F. Bank statements include debit and credit entries to show money going in and out of an account.
- G. I decided to pay off my debt with the highest interest rate first.
- H. A common liability for a business is the stock owned by its investors.

4. Draw a line from the word to the drawing which shows the word's meaning. Each word matches at least one drawing. A word might match more than one drawing. (note to teacher—you may wish to give extra credit for getting more than one correct match to a word)

