

## A-L-I-E (Assets–Liabilities–Income–Expenses) Activity Answer Key

**Directions:** In the left-hand column are descriptions of financial transactions. For each transaction, evaluate the following:

- In the first column, Cash Balance, decide whether cash balance goes up (U), down (D), or stays the same (S) in the transaction, and circle the corresponding letter.
- In the remaining columns, decide what kind of transaction(s) the situation describes. Check all boxes that apply; there may be more than one.

Situation	Cash Balance	Earning Income	Acquiring (non-cash) asset	Incurring Expense	Increasing Liabilities	None
1. You are paid \$5/hr for 3 hours of baby-sitting	U/D/S	X				
2. You buy two slices of pizza for \$2 each and eat them	U/D/S			X		
3. You buy a one-month bus pass for \$100 that you will use to get to school every day next month	U/D/S		X			
4. You sell your computer to your friend for \$200, a fair price	U/D/S					X
5. Your friend lends you \$10	U/D/S				X	
6. You find a penny on the floor	U/D/S	X				
7. You give a quarter to a person asking for money on the street	U/D/S			X		