Unit 13 · Bill and Budget

STUDY NOTES

Key terms

Bill: a list of goods sold, with their prices and the total.

Buyer, seller: the customer who buys; the shopkeeper who sells.

Quantity: how much is bought: 5 kg, 3 packets, 2 liters.

Rate: the price of **one** unit: Rs. 50 per kg (also "unit price").

Amount: the price of all of one good; **total**: all the amounts added.

Income: money that comes in; **expense**: money that goes out.

Saving: what is left after the expenses.

Budget: a plan of the income and expenses we **expect**, made before the money is spent.

Formulas

- **Amount = quantity × rate**
- **Saving = income − expense**
- missing rate = amount ÷ quantity; missing quantity = amount ÷ rate
- each person's share = total expense ÷ number of people

A bill

- bill number
- shop's name, place and **PAN**
- date
- buyer
- each good **bought** (not every good on the price list)
  - name
  - rate
  - quantity
  - amount
- total **in figures and in words** ("… rupees only"); seller's signature
- **PAN**: Permanent Account Number, 9 digits, from the Inland Revenue Department; a firm needs a PAN bill for over Rs. 1,000 (since 2076/77 BS)
- words, because a figure is easy to change: Rs. 100 → Rs. 1,000

Goods	Quantity	Rate (Rs.)	Amount (Rs.)
Chickpeas	2 kg	110	220
Oil	3 liters	155	465
Banana	3 dozen	80	240
Grapes	1.5 kg	200	300
Total			**1,225**

- rate per dozen → × the number of **dozens**
- part of a unit: 1.5 kg at Rs. 200 = 200 + 100 = **300**
- paisa: Rs. 55.50 = 55 rupees 50 paisa; a **discount** is taken **off** before the total
- costlier by what percentage: compare the **rates**; Rs. 450 against Rs. 300: 150/300 × 100 = 50 → T-shirt **50% more**

A budget

- **sources of income**
  - job
  - business
  - selling milk
  - wages
  - farm
  - goats
- **titles of expense**
  - food
  - education
  - others
  - clothes
  - farm tools
- income on the **left**, expense on the **right**; add each side

Income	Rs.	Expense	Rs.
Job	15,000	Food	8,000
Vegetables	5,000	Clothes	6,000
Hens	2,000	Education	8,000
Milk	6,000	Farm tools	6,000
Goats	9,000	Others	5,000
Total	**37,000**	**Total**	**33,000**

- saving: 37,000 − 33,000 = **Rs. 4,000**
- expense bigger → no saving; a budget shows it in time
  - **borrow** (a loan)
  - cut expenses
  - use old savings
- 6 months: each monthly amount × 6; a year's saving: monthly saving × 12
- a trip: 62,500 ÷ 25 people = Rs. 2,500 each; income = expense
- money left after a picnic shared: (65,000 − 62,400) ÷ 40 = **Rs. 65** each
- Nepal's budget: read in Parliament every **Jestha 15**

COMMON MISTAKES

✗ 4 kg at Rs. 80: amount 84
✓ multiply: 4 × 80 = 320.

✗ 1.5 kg at Rs. 200: amount 200
✓ 1.5 × 200 = 300.

✗ saving = income + expense
✓ income − expense.

✗ expense bigger, so a bigger saving
✓ no saving: the family is short.

✗ 6-month budget with monthly amounts
✓ each amount × 6.