# Year 5 PSHE Assessment: Managing Money

*Learning objective: To understand the value of money, the importance of budgeting, and how choices affect our financial wellbeing.*

Read each question carefully. Max the monkey needs your help to solve these money puzzles. Write your answers clearly in the spaces provided.

Max the monkey is planning a school trip to the local fruit market. He has £10.00 of pocket money. He must decide what he needs for his lunch and what he wants as a special treat, while remembering to put some money aside for his future savings goal of buying a new bicycle.

*Word bank: Budget · Needs · Wants · Savings · Income · Charity · Value*

**1. Define the difference between a 'need' and a 'want'. Give one example of each to support your answer. (2 marks)**

**2. Max sees a bag of apples for £2.50 and a fancy sticker pack for £3.00. If he buys both, how much money will he have left from his original £10.00? Show your working out. (3 marks)**

**3. Why is it important for people to create a budget before they go shopping? (3 marks)**

**4. Explain two ways a person can earn an income. (2 marks)**

**5. Max decides to donate 50p of his money to a local animal sanctuary. Explain why some people choose to give money to charity. (3 marks)**

**6. If Max wants to save for his bicycle, why might it be better to put his money in a bank account rather than keeping it in a jar at home? (3 marks)**

**7. Max is tempted to spend all his money on sweets, but he really wants that bicycle. Write a short paragraph explaining the benefits of 'delayed gratification' (waiting to get what you want) and how it helps someone reach a long-term goal. (9 marks)**

**Draw: Draw a pie chart showing how you would divide £10.00 if you were saving for a goal, spending on a need, and giving to a charity.**

*Extension challenge: Total: /25. Challenge: Research the difference between a debit card and a credit card. Write two sentences explaining why credit cards must be used carefully.*