

Max's Market Maths: Making Smart Money Choices

Learning objective: To understand how to make informed financial decisions, recognise the difference between needs and wants, and calculate simple budgets using rupees and paise.

Read each scenario carefully. Use your mathematical skills and your understanding of responsible spending to answer the questions below. Show your working out where necessary.

Max the monkey is organising a community picnic. He has a budget of £20.00 to buy supplies. He needs to buy healthy snacks for his friends, but he also wants to buy some fun decorations for the party. He must decide which items are essential and which are just for fun.

Word bank: Budget · Needs · Wants · Value · Savings · Income · Expenditure · Affordability

1. Max identifies 'needs' as fresh fruit (£4.50), water bottles (£2.00), and napkins (£1.50). He identifies 'wants' as colourful streamers (£3.00) and a set of party hats (£4.00). Calculate the total cost of his needs. Does he have enough money left in his £20.00 budget to buy the wants? Explain your reasoning. (3 marks)

2. Define the difference between a 'need' and a 'want'. Why is it important to prioritise needs before spending money on wants? (2 marks)

3. Max decides to skip the party hats to save money. If he puts the money he would have spent on the hats into a savings jar, how much will he have saved? If he does this for four parties, what is his total saving? (2 marks)

4. Compare and contrast the impact of buying a high-quality item that lasts a long time versus buying a cheaper item that breaks quickly. Which is a better use of a limited budget and why? (3 marks)

[illegible]

Extension challenge: Imagine you have been given £50.00 to plan a day trip for your class. Create a detailed budget table showing how you would allocate the money for travel, food, and activities. What might happen to your plan if the cost of travel suddenly increased by £10.00? Justify which part of your budget you would reduce and why.