Max’s Money Management Masterclass

Learning objective: To understand the difference between needs and wants, and to develop strategies for managing personal finances effectively.

Help Max the monkey solve his latest maths puzzle: how to manage his pocket money wisely! Use this fact-file to categorise your spending choices and plan how to budget for the future. Think carefully about what is essential versus what is a luxury.

Word bank: budget · essential · luxury · savings · expenditure · prioritise · income · value

1. Needs vs Wants: List three items you consider 'essential' for daily life and three items that are 'luxuries'. Explain why you have categorised them this way. (4 marks)

2. The Savings Strategy: If you received £5.00 pocket money each week, how would you divide it between 'spending', 'saving', and 'giving'? Justify your chosen proportions. (3 marks)

3. Analysing Value: Compare two different items you might want to buy. How do you decide if an item is 'good value for money' before you hand over your coins? (3 marks)

4. Problem Solving: Max has £10.00. He wants a book costing £6.50 and a puzzle costing £4.50. Explain why he cannot buy both and suggest a plan for him to get both items eventually. (3 marks)

5. Reflective Thinking: What might happen if someone spends all of their money on luxuries immediately and neglects their savings? Why is this a risky financial habit? (3 marks)

6. Future Planning: If you were tasked with saving up for a specific item costing £25.00, create a simple timeline or plan detailing how you would reach your goal. (4 marks)

Extension challenge: Imagine you are an advisor for Max. Write a short persuasive paragraph explaining the benefits of delaying gratification (waiting to buy something) versus buying it immediately. Use at least three words from the word bank in your response.