

Max's Money Matters: Grade 3 PSHE Financial Literacy

Learning objective: To understand the value of money, the importance of budgeting, and the difference between needs and wants.

Read each flashcard carefully. Test your knowledge on how to manage money wisely with Max the Monkey's financial puzzles.

What is a 'budget'?

A budget is a plan that helps you track your income and decide how much money to spend or save over a set period of time.

Explain the difference between a 'need' and a 'want'.

A need is something essential for survival, like food or shelter; a want is something you desire but can live without, like a new toy.

If Max earns £5.00 for doing chores and spends £2.50 on a book, what is his remaining balance?

£2.50.

What is 'income'?

Income is money that you receive, usually from working, completing chores, or receiving gifts.

What does 'expenditure' mean in the context of money?

Expenditure is the amount of money spent on goods or services.

Why is it important to save money?

Saving money allows you to prepare for future goals, unexpected costs, or larger items that cost more than your current weekly budget.

If a pack of pencils costs £1.20 and you pay with a £2.00 coin, how much change should you receive?

80p.

What is a 'transaction'?

A transaction is the act of buying or selling something, or exchanging money for a service.

Justify why it is important to prioritise needs before wants when planning a budget.

Prioritising needs ensures that essential items are covered first, keeping you safe and healthy before spending money on luxuries.

What might happen if someone spends more money than they receive in their income?

They may run out of money, be unable to pay for essential needs, or fall into debt.

Compare and contrast 'paying with cash' versus 'using digital money'.

Both are ways to pay for goods, but cash is physical coins and notes you hold, while digital money is electronic data representing value in an account.

Explain why the value of an item is not always the same as its price.

The price is what you pay, but the value is how useful or important that item is to your life.