Max’s Market Math: Making Smart Money Choices

Learning objective: To understand how to make informed financial decisions, recognize the difference between needs and wants, and calculate simple budgets using dollars and cents.

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 colorful 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)

5. Justify why someone might choose to donate a portion of their pocket money to a local charity rather than spending it on a want. How does this decision reflect personal values? (2 marks)

Draw: Draw a 'Needs vs. Wants' table. In one column, sketch three items that are essential for a healthy school week (needs). In the other column, sketch three items that you might enjoy but could live without (wants).

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.