

Max's Money Management Challenge

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

Read each question carefully and use your knowledge of math and personal finance to answer. Show your working out where necessary.

Max the monkey is planning a party for his friends in the jungle. He has a budget of £20.00 to spend on supplies. He needs to buy fruit for snacks and streamers for decoration. Max must decide what is essential for the party and what is just a 'want'.

Word bank: Budget · Needs · Wants · Savings · Income · Expense · Value

1. Max sees a bunch of bananas for £3.50 and a bag of apples for £2.75. If he buys both, how much will he have spent in total? Show your calculation. (2 marks)

2. Explain the difference between a 'need' and a 'want'. Give one example of a 'need' Max might have for his party, and one 'want' that he could choose to skip if he runs out of money. (3 marks)

3. Max has £20.00. After spending £6.25 on fruit, he wants to buy a pack of colorful streamers for £4.99. How much money will he have left in his budget after these purchases? (2 marks)

4. Why is it important for Max to keep track of his spending using a budget? What might happen if he forgets to record his expenses? (2 marks)

[illegible]

Extension challenge: Research how people earn money to pay for their needs. Write a short paragraph about how you might earn a small amount of money in the future, such as doing chores or learning a skill to offer a service.