Mastering Your Money: PSHE Financial Literacy Flashcards

Learning objective: To understand the concepts of budgeting, saving, and the difference between needs and wants to help manage personal finances effectively.

Read the front of the card and try to answer the question or define the term before checking the answer on the back.

What is a 'budget'?

A budget is a plan that shows how much money you have and how you will spend or save it over a period of time.

What is the difference between a 'need' and a 'want'?

A need is something essential for survival, like food and shelter. A want is something you would like to have but can live without, like a new toy.

Max has £20. He buys a book for £7.50 and a pen for £2.25. How much money does he have left?

£10.25 (£20.00 - £9.75 = £10.25).

What is 'income'?

Income is the money that a person earns or receives, for example, from a job or pocket money.

What is 'expenditure'?

Expenditure is the money spent on things you buy or bills you need to pay.

Why is it important to have 'savings'?

Savings are money set aside for the future, which can help you buy something expensive later or help you in an emergency.

If you put your money in a 'bank', what is 'interest'?

Interest is a small amount of extra money the bank pays you for keeping your money in their account.

What does 'value for money' mean?

It means getting the best quality or quantity for the price you pay, rather than just buying the cheapest or most expensive item.

If Pip earns £5 a week for chores and saves £2, how much will he have saved after 4 weeks?

£8 (£2 x 4 weeks = £8).

True or False: A bank account is a safe place to store your money compared to a piggy bank.

True. Banks keep money secure and offer protection and interest.

What is a 'charitable donation'?

This is giving money or goods to an organisation that helps people, animals, or the environment, without expecting anything in return.

Why should you compare prices before buying something?

Comparing prices helps you find the best deal, ensuring you spend your money wisely and don't pay more than necessary.