ONE PAGE SUMMARY

Kids Learning › Financial Literacy › Budgeting

What is Budgeting

Master Budgeting to Control Your Money Wisely!

DEFINITION

> Budgeting is planning how to spend your money wisely. It helps you track income and expenses to achieve your financial goals.

KEY CONCEPTS

Income

Income is the money you earn, like your allowance or gifts.

Expenses

Expenses are the things you spend money on, such as toys or snacks.

Savings

Savings is the money you set aside for future needs or wants.

Budget Plan

A budget plan is a written outline of your income and expenses.

Tracking

Tracking means keeping a record of your spending to stay within your budget.

EXAMPLES

→ You earn $10 and spend $5 on snacks, saving $5.

→ Your monthly allowance is $20; you budget $10 for games and $10 for savings.

→ If you want a $50 toy, save $10 each month for 5 months.

MEMORY TIPS

★ Think 'I Eat Sweets' for Income, Expenses, Savings.

★ Use a jar system: one jar for savings, one for spending.

★ Remember '50/30/20' rule: 50% needs, 30% wants, 20% savings.

COMMON MISTAKES

✗ Not tracking small expenses, which adds up.

✗ Spending all income without saving.

✗ Ignoring unexpected costs in the budget.

QUICK RECAP

Budgeting helps you manage your money by planning your income and expenses. Remember to track your spending and save for future goals to stay financially healthy.