ONE PAGE SUMMARY

Kids Learning › Financial Literacy › Spending Wisely

What is Spending Wisely

Master the Art of Spending Wisely!

DEFINITION

Spending wisely means making smart choices about how to use your money. It involves prioritizing needs over wants and planning for future expenses.

KEY CONCEPTS

Needs vs. Wants

Needs are essential items for survival, like food and shelter, while wants are nice-to-haves, like toys and games.

Budgeting

Budgeting is creating a plan for how to spend your money based on your income and expenses.

Saving

Saving means setting aside money for future use, helping you prepare for unexpected costs.

Comparison Shopping

Comparison shopping involves looking at different prices and options before making a purchase to find the best deal.

Impulse Buying

Impulse buying is making unplanned purchases, often leading to spending more than intended.

EXAMPLES

→ Choosing to buy a book instead of a video game because it's more educational.

→ Saving a portion of your allowance each week for a new bike.

→ Comparing prices of snacks at different stores before buying.

MEMORY TIPS

★ Remember 'Needs before Wants' to prioritize spending.

★ Use the acronym 'B.S.S.' for Budgeting, Saving, and Spending wisely.

★ Think 'Save First, Spend Later' to encourage saving.

COMMON MISTAKES

✗ Not tracking expenses can lead to overspending.

✗ Confusing wants with needs can result in poor financial choices.

✗ Failing to save for emergencies can cause stress later.

QUICK RECAP

Spending wisely is about making thoughtful choices with your money. Focus on needs, create a budget, and save for the future to ensure financial health.