ONE PAGE SUMMARY

Kids Learning › Financial Literacy › Spending Wisely

What is Spending Wisely

Learn to Spend Wisely for a Bright Future!

DEFINITION

> Spending wisely means making smart choices about how to use your money. It helps you save for things you really want or need.

KEY CONCEPTS

Needs vs. Wants

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

Budgeting Basics

A budget is a plan that helps you track your income and expenses to avoid overspending.

Saving for Goals

Setting aside money for future goals, like a new bike, helps you achieve what you want.

Comparison Shopping

Looking at prices from different stores helps you find the best deals and save money.

Impulse Buying

Buying something on a whim can lead to regret; always think before you buy.

EXAMPLES

→ Saving $5 a week for a new video game.

→ Choosing to buy a book instead of a snack.

→ Comparing prices of shoes at different stores.

MEMORY TIPS

★ Remember 'Needs before Wants' to prioritize spending.

★ Use the acronym 'B.S.S.' for Budget, Save, Spend.

★ Think 'Save for Later' to resist impulse buys.

COMMON MISTAKES

✗ Confusing needs with wants.

✗ Not sticking to a budget.

✗ Making impulse purchases without thinking.

QUICK RECAP

Spending wisely involves distinguishing between needs and wants, creating a budget, and saving for goals. Avoid impulse buying and always compare prices to make informed decisions.