

Objective

By the end of this lesson, the student will understand the basic concepts of budgeting, including income, expenses, and saving. They will create a simple budget plan for a fun activity they want to do, which will help them learn how to manage money effectively.

Materials and Prep

- Paper
- Pencil
- Colored markers or crayons (optional)
- A calculator (if available)

Before the lesson, think about a fun activity that the student would like to budget for, such as a trip to the zoo, a movie night, or a small toy. This will make the budgeting exercise more relatable and engaging.

Activities

• **Discussing Income:**

Start by talking about where money comes from. Discuss different ways people earn money, like jobs or allowances. Have the student list ways they might earn money in the future.

• **Understanding Expenses:**

Next, talk about what expenses are. Ask the student to think of things they spend money on, like snacks, toys, or games. Help them categorize these expenses into needs and wants.

• **Creating a Simple Budget:**

Using the fun activity they want to budget for, guide the student to create a simple budget. They will list their expected income, expenses, and how much they want to save. Encourage creativity by allowing them to decorate their budget with drawings.

• **Budget Role-Play:**

Engage in a role-play scenario where the student has to make choices based on their budget. Present them with different spending situations and ask them how they would adjust their budget to accommodate them.

Talking Points

- "Money is like a tool that helps us get the things we need and want!"
- "Can you think of ways you could earn money? Maybe doing chores or having a lemonade stand?"
- "What are some things you really need, and what are things you just want?"
- "When we budget, we plan how to spend our money wisely so we can enjoy fun things later!"
- "Saving money is like planting a seed; the more you save, the bigger it can grow!"
- "If you have \$10 and you want a toy that costs \$8, how much will you have left?"
- "What if you want to go to the movies? How can we make a budget for that?"
- "Remember, it's okay to adjust your budget if something changes. Flexibility is important!"