

Overview

 **Category:** ☐ Earn ☒ Save ☐ Invest ☒ Spend ☐ Borrow ☐ Protect

 **Players:** 1+

 **Age:** 5+

 **Time:** Prep: 2 minutes, Play: 5 - 10 minutes

 **Cost:** \$0*

Summary

Budgeting is an important life skill. And kids can learn it through play. Teach your child how to make a budget with this fun activity.

Objective

To create a budget

Supplies

- 1 Play Money
- 1 Bucket Sheet
- 1 Budget Template
- 1 Pair of Scissors

Set-Up

- 1 Print the Play Money at the end of this activity sheet
- 2 Give the Play Money to your child and have them cut it out
- 3 Print the Bucket Sheet and Budget Template at the end of this activity sheet, and give them to your child

Instructions

Budgeting Methods:

- 1 **Zero-Based Budget** – This method allocates all income to an expense. Or more simply put, income equals expenses. This activity has three expenses: Savings, Needs, and Wants.

- ② **50-30-20 Budget Method** – Under this method, income is allocated to expenses based on the following percentages:
- ★ 50% to Needs
 - ★ 30% to Wants, and
 - ★ 20% to Savings

Definitions:

- ① **Financial Need** – Is a financial expense that is required. Examples include housing, food, clothes, school supplies, etc.
- ② **Financial Want** – Is a financial expense that is optional or discretionary. Examples include toys, games, and anything else desirable but not necessary for daily living.
- ③ **Allocation** – To set aside money for a specific purpose
- ④ **Expense** – A cost related to spending

How to Pay

- ① Gather the Play Money in a stack
- ② Have your child place different amounts of the Pay Money on the 3 buckets of the Bucket Sheet until all the money has been allocated or there's no more money in the stack. This simulates the zero-budget basis budget method.
- ③ Record how much money is in each bucket on the Budget Sheet

Variation 1: 50/30/20 Budget Method

Instead of letting your child choose how much money to place into the buckets, guide their placement with the 50-30-20 Method. Under this method, would be

- ① \$5 for Needs
- ② \$3 for Wants
- ③ \$2 for Savings

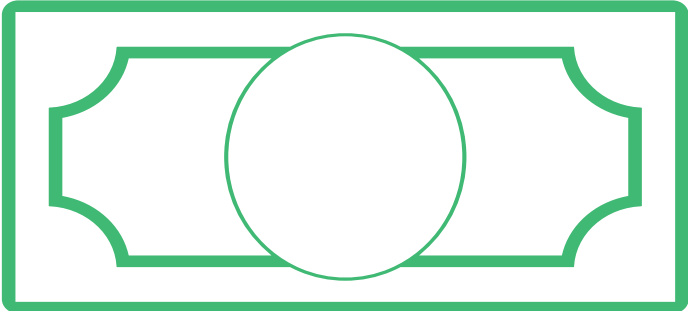
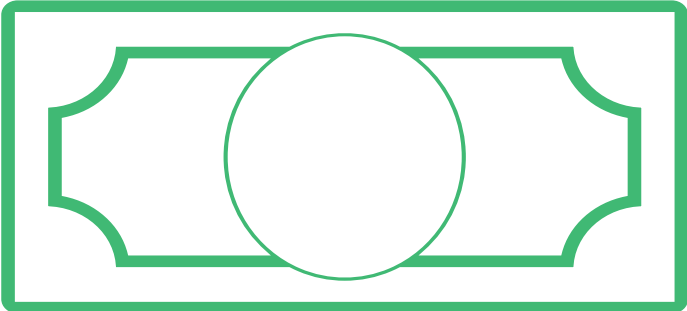
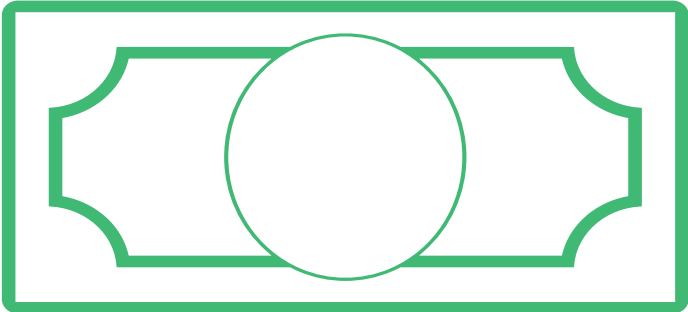
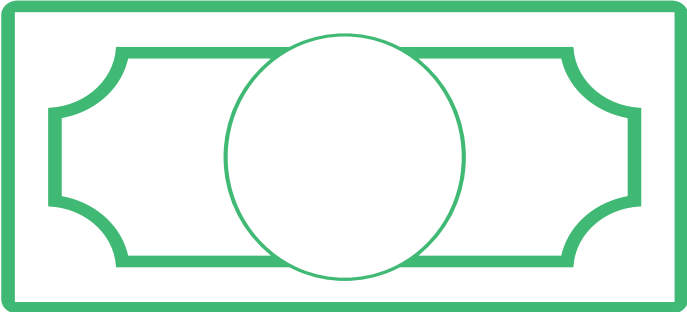
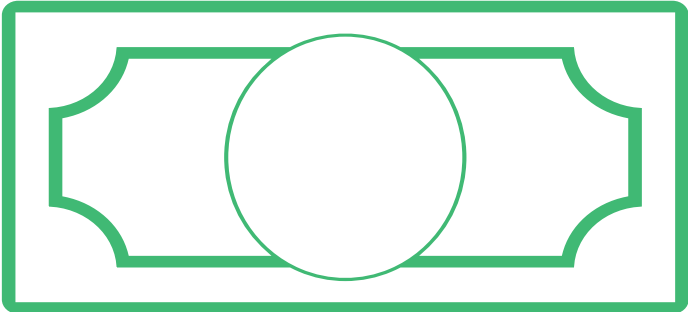
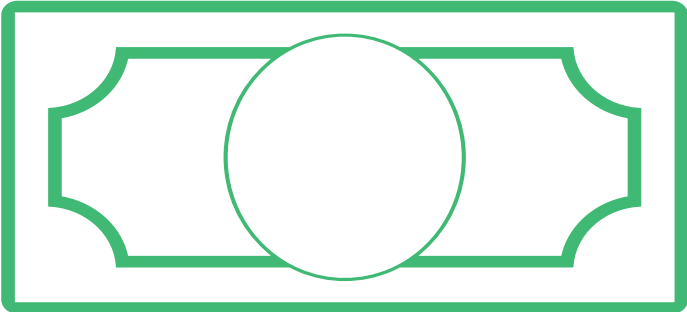
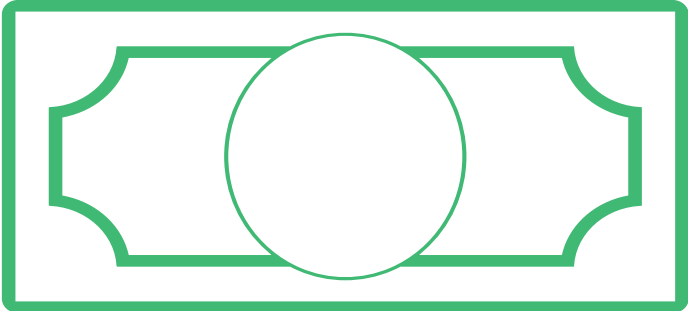
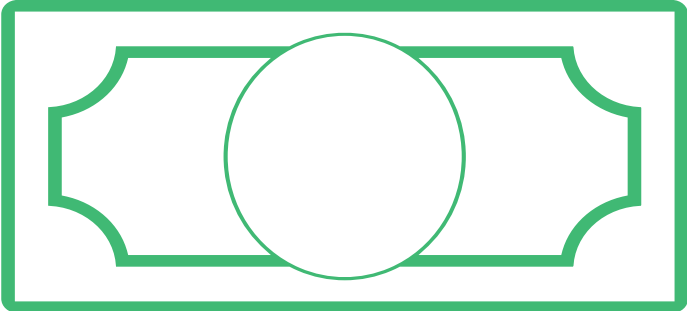
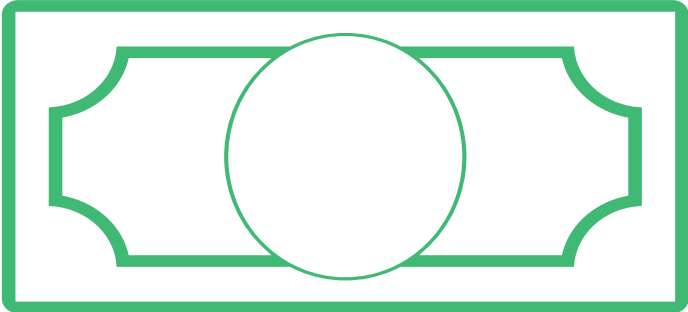
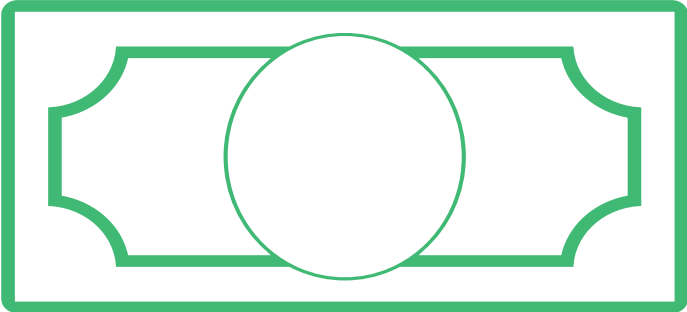
* - Excludes printing costs

Mission of Kidzeeya

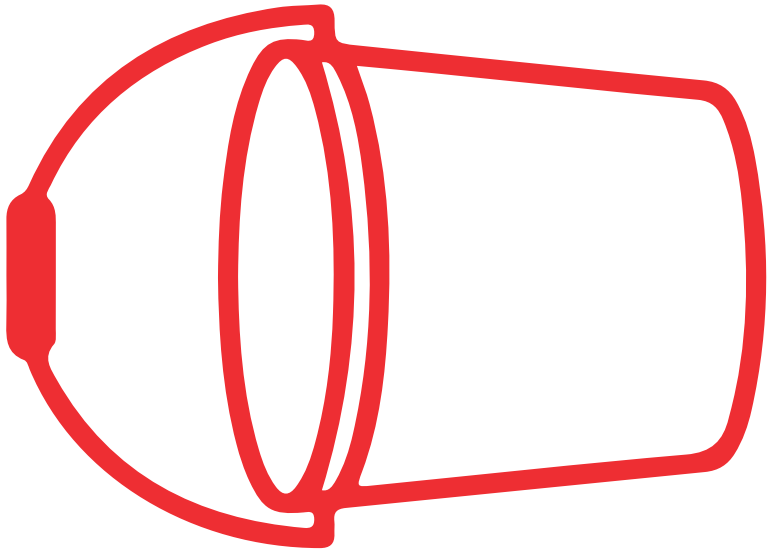
To empower kids and parents to learn about money.

<http://kidzeeya.com>

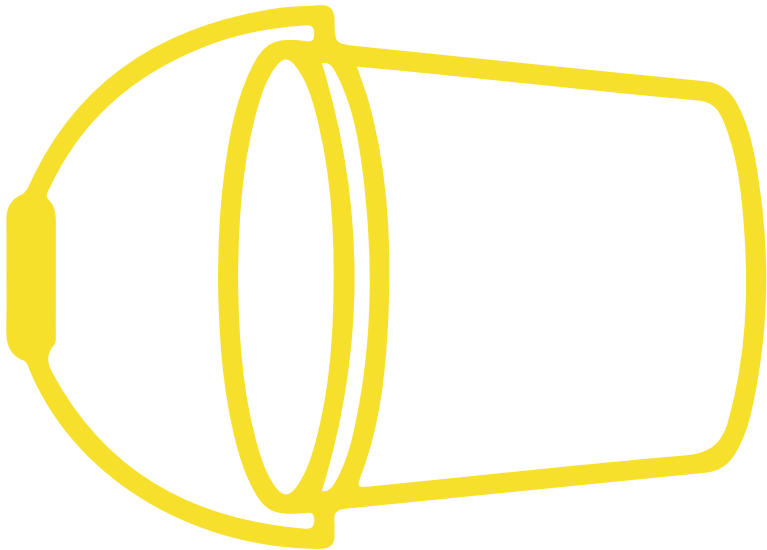
Play Money



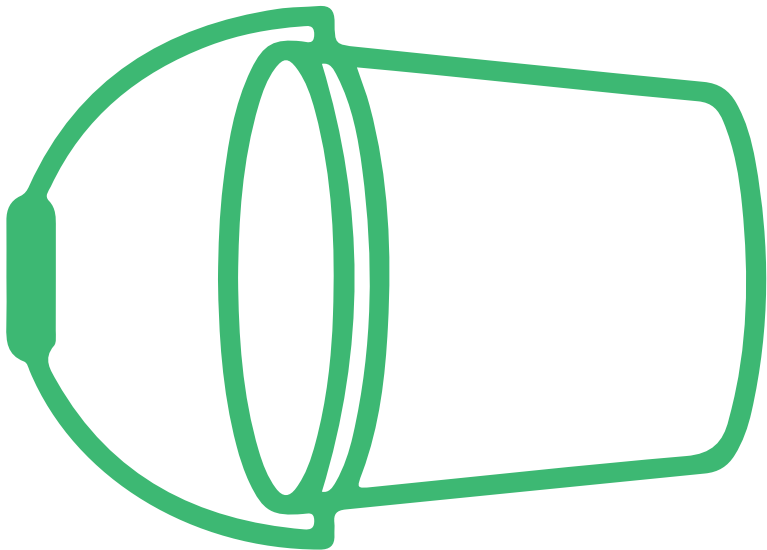
Bucket Board



Wants



Needs



Savings

Budget Template

Instructions

Record the amount of Play Money placed in each bucket in the respective line item. Add up all the expense line items and record in the Total Expenses line item. Check records by verifying that Income minus Expense is zero.

Income

\$10

Expense

Savings	
Needs	
Wants	
Total Expense	

Income - Expense

\$0