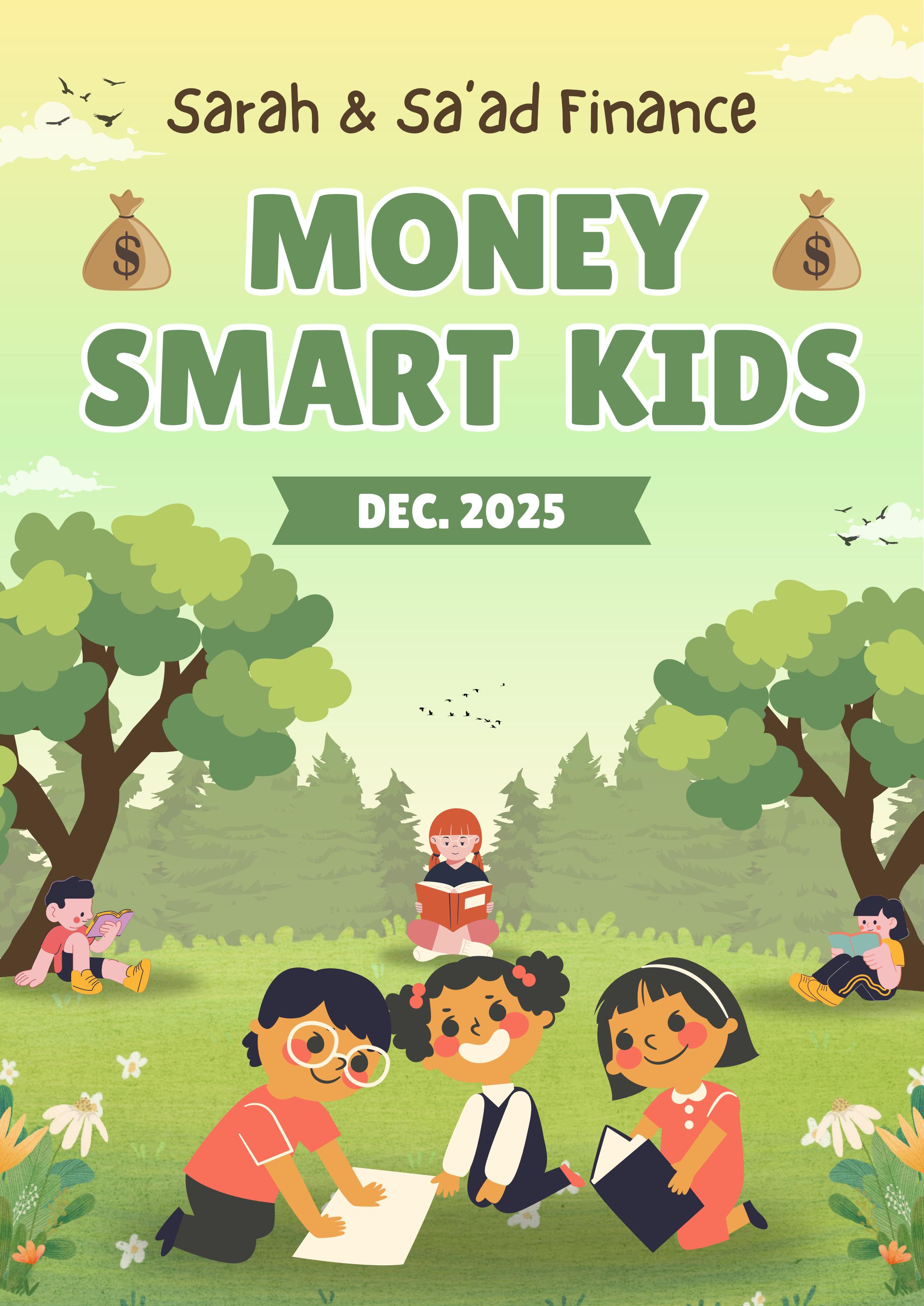


sarah & sa'ad Finance

MONEY SMART KIDS

DEC. 2025



Meet the Characters



Sarah Sanyang

Curious, creative, and loves solving money mysteries!

Sa'ad Sanyang

Inventive and thoughtful, always asking, "Why?"





Introduction

Are you ready to embark on an exciting adventure? This isn't just any adventure - it's a journey into the world of money!

You might think money is just grown-up stuff, but guess what? Understanding money can help you get the toys you want, save for amazing experiences, and even help others!

We're going to learn about money from A to Z, making it super easy and fun. By the end of this book, you'll be a financial superstar, ready to make smart choices with your money.

.....Are you ready? Let's go!



Part 1: Making Money

What is Money (Analysis of Money)

Before we start talking about how to make money, let's understand what money really is.

Imagine you have a shiny apple, and your friend has an orange. You want the orange, and your friend wants the apple. What do you do? You might trade, right? "I will give you my apple for your orange!"

Long, long time ago, that's how people got things! It was called **bartering**. But what if your friend didn't want an apple? What if they wanted a banana, and you didn't have one? It got tricky!

That's where money comes in! Money is a special tool that everyone agrees to use.

Instead of trading apples for oranges, you can sell your apple for money, and then use that money to buy an orange (or anything else you want!).

Money makes trading fair and easy. It helps us get the things we need (like food and clothes) and the things we want (like toys and games). It's not just paper or metal; it's a way to keep track of value and make sure everyone can get what they need and want.

So, think of money as a helpful helper that makes our world go round!

Story: A Coin at Breakfast

One morning, Sarah found a shiny coin under her fruits basket. "What's this worth?" she asked.

Sa'ad looked it up in their Money Book.

"It's a 1-Dalasi coin! People use it to buy things, like ice cream!"

They walked to the store and saw a pack of sweets priced at D25.

Sarah paused.

"Is this money just paper and metal?"

Sa'ad smiled:

"Money is anything people agree has value. Coins, bills or, even digital money!"



Lesson — What Money Is

Money is something people use to trade for stuff like food, toys, games, and fun experiences.

🎯 Activity — Money Match

Find 5 coins or bills at home.

Write the value next to each.

Money Found	Value
Bututs____	D_5_
Bututs____	D_25_
Bututs____	D_50_
Dalasis____	D_50_
Dalasis____	D_100_



What is the total? D150.80

Making Money (Earning)

- **Definition:** This skill focuses on increasing your income and earning potential. It is the foundation of financial well-being, as you need income before you can manage or multiply it.

How do grown-ups get money? Most of the time, they **earn** it by working! They do jobs, and in return, they get paid. You can do the same thing!

Earning money means you do something helpful, and someone gives you money for it. This could be:

- **Chores at Home:** Helping clean your room, setting the table, watering plants, or helping with the pets. Many families give an **allowance** for regular chores.
- **Helping Neighbors:** Maybe raking leaves, walking a dog, or helping a grown-up with a simple task.

When you earn money, you learn two important things:

- 1. Money is a reward for effort:** It feels great to buy something knowing you worked hard for it!
- 2. Money is limited:** You can't just wish for it; you have to earn it. This makes you appreciate things more.

Money Tip: Always ask a grown-up what a chore is worth before you start. That way, everyone agrees on the payment!

Earned vs. Gifted: Where Does Money Come From?

Money can come to you in two main ways:

- 1. Earned Money:** This is the money you get in exchange for your work or time, like your allowance for chores.
 - Example: Cleaning the car for your parent and getting D50
- 2. Gifted Money:** This is money someone gives you as a present or a donation, like for your birthday, a holiday, or a special celebration.
 - Example: Grandma giving you D10 for your birthday.

Both types of money are valuable, but how you treat them can be different.

- When you spend **Earned Money**, you are trading your effort for something.
- When you spend **Gifted Money**, you are spending someone's generosity.

It's smart to use a good portion of both types of money for saving and giving!

Story: The Lemonade Stand

Summer arrived, and Sarah and Sa'ad created a lemonade stand.

"Let's sell lemonade!" Sarah said.

Sa'ad drew a sign: D1 per cup.

They spent D2 on lemons and sugar.

Profit Math:

Revenue – Cost = Profit

(D10 from sales – D2 cost) = D8 profit

Sa'ad smiled.

"We earned money by working together!"



Lesson — Earning

You earn money by doing work — chores, sales, helping neighbours, creative gigs, etc.

🎯 Activity — Your Money Plan

List 3 ways you could earn money.

Ideas:

Help with chores

Sell fruits

Mini garden

Ways to Earn	How Much	Time Needed
___	D ___	___ mins/ hrs
___	D ___	___ mins/ hrs
___	D ___	___ mins/ hrs

Part 2: Managing Money

Managing Money (Keeping)

- **Definition:** Managing money involves effectively controlling where your money goes to meet current obligations, build security, and free up funds for investment.
- **Strategies:** Budgeting, tracking expenses, saving, and avoiding lifestyle inflation.

Why it matters

- You can earn a lot but stay broke if you don't manage and multiply it.
- These skills build financial stability, wealth, and the ability to reach long-term goals like retirement.

Budgeting - The Three Jars

A budget is simply a plan for how you are going to use your money. Superstars don't just spend randomly, they plan! The best plan for kids is the Three Jar System. Every time you get money (earned or gifted), you divide it into three categories:

- 1. SAVINGS JAR (Future You):** This money is for your big goals.
- 2. SPENDING JAR (Current You):** This money is for fun, immediate wants (like a ball, or a small toy).
- 3. GIVING JAR (Helping Others):** This money is set aside to help people in need (Charity, donations).

A good rule of thumb is to put the most money in your Savings Jar!

Category	Recommended Amount	Purpose
SAVINGS	50% (The largest amount!)	For your future goals.
SPENDING	40%	For small, immediate fun.
GIVING	10%	For helping others.

Story 1: The Three Jars - Budget

Sarah's grandma gave her 3 jars labeled:

- Save
- Spend
- Share

They put each coin into one jar.

Why share?

Sa'ad said:

"Sharing helps others – happiness grows!"

Lesson – The Jar Method

Divide money into:

- Save – for future goals
- Spend – fun stuff
- Share – giving to others



Story 2: The Big Trip Plan - Budget

Sarah and Sa'ad want a day at the amusement park, D25 each.

They made a plan:

Weekly allowance: D5

Savings goal: D25

How many weeks?

$25 \div 5 = 5$ Weeks

Sa'ad marked the calendar & each will save D25, said Sa'ad.



Lesson — Budget

A budget is a plan for your money.



Activity — Your Budget

You want something that costs D____.

Weekly money: D____

Weeks it will take: _____



What will you save for?

Needs vs. Wants: Knowing the Difference!

This is one of the most important lessons about money!

Knowing the difference between a need and a want.

A **need** is something you absolutely, positively must have to be healthy and safe. Think about it:

- **Food and Water:** You need to eat and drink to have energy and grow big and strong!
- **A Safe Place to Live (Shelter):** You need a home to protect you from the weather and keep you safe.
- **Clothes:** You need clothes to keep you warm and protected.

These are things we can't live without!

Now, a **want** is something that would be nice to have, but you don't need it to survive. Wants are fun!

- A ball
- A fancy toy
- A trip to the amusement park

Wants make life exciting and enjoyable, but they are not essential.

Knowing the difference helps us make smart choices with our money. We take care of our needs first, and then, if we have extra money, we can think about our wants!

Story: Bread or Ball?

Sarah wanted bread.

Sa'ad needed a new ball.

"Bread is a need," Sarah said.

"Ball is a want," Sa'ad added.

They learned needs come first!



Lesson – Needs vs Wants

Needs = essential (food, clothes, school)

Wants = nice but not necessary (games, toys)



 **Activity – Sort Them!**

Sort these items into "Needs" or "Wants":

 Apple Game School books Sweets T-shirt

Needs: _____

Wants: _____

Saving for Goals

This is the most exciting part of being a financial superstar! Saving is keeping your money safe so that you can use it later for something really important or special.

Why save? Because the things you really want often cost more than you have right now. Saving lets you buy that awesome bike, that new video game console, or maybe even save up for a trip!

Setting a Goal:

- 1. Choose It:** Decide exactly what you want to buy (e.g., a Ball set that costs D40).
- 2. Price It:** Find out the exact cost (e.g. D40). This is your Goal Target.
- 3. Plan It:** Figure out how much you need to save each week. If you earn D5 a week, it will take you 8 weeks (D5 \times 8 = \D40)!

Story: The Magic Piggy Bank Savings

Sa'ad's piggy bank wasn't magic, until he saved D20 and saw it grow!

"It grows over time if I don't spend it!" he said.



Lesson — Saving

Saving helps you reach big goals.

🎯 Activity — Savings Goal Chart

Goal: Buy a bicycle

Amount needed: D500



Week	Saved	Total
1	D__	D__
2	D__	D__
3	D__	D__

Getting the Best Deal (Price Comparison)

When you are ready to spend, you need to be a **smart shopper!** Sometimes, the exact same item is sold for different prices in different stores.

Price Comparison means checking out the cost of the item in a few places before you buy it.

- Maybe one store sells your favorite baseball cards for D3 a pack, but the store across the street sells them for D2 a pack.
- By buying the cheaper pack, you save D1. That's extra money you can put into your **SAVINGS** jar! Being a smart shopper means your money goes further. Always ask a grown-up to help you look at prices online or in different stores before making a purchase.

Stop! Think! Buy! (Impulse Buying)

Have you ever walked past something shiny and suddenly felt like you must have it right now? That's called an impulse buy. You didn't plan for it, and you didn't budget for it.

Impulse buying is fun for a second, but it can ruin your savings goals!

The 24-Hour Rule:

If you see something and want to buy it, but it wasn't in your plan, use the 24-Hour.

Rule: Wait one whole day before buying it.

- If you still really want it after 24 hours, and you have money in your **SPENDING** jar, then maybe you can buy it.
- Most of the time, after 24 hours, the strong urge to buy goes away, and you'll be happy you kept the money for your savings goals!

Story: Price Comparison Hunt

At the toy shop:

- ★ Toy A – D15
- ★ Toy B – D12

Same toy, different price!

Sarah said,

"Let's compare prices!"

They saved D3.

Lesson — Compare Prices

Smart shoppers compare before buying.

Activity — Go on a Price Hunt

Find 3 prices for the same item online or in a store.

Item: _____

Price 1: D_____

Price 2: D_____

Price 3: D_____

Best Deal: D_____



The Piggy Bank (Banks and Interest)

Once you start saving a lot of money, a simple piggy bank might not be the safest or smartest place for it. That's where a **Bank** comes in!

A **Bank** is a place (or a business) where people keep their money safe.

When you put money in the bank:

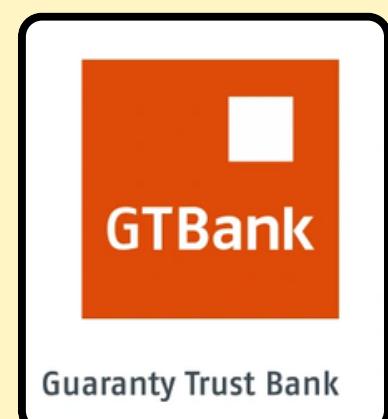
- 1. It's Safe:** It's much safer than keeping cash under your mattress!
- 2. It Grows:** The bank gives you a small "thank you" payment for letting them keep your money. This payment is called **Interest**.

Note: Interest is not halal for muslims, so look for an Islamic bank to save your money (Interest is mention to let you know how non-Islamic banks works).

Interest is like a tiny little money seed the bank plants in your account that grows over time.



Islamic bank



Non-Islamic bank

- You put in D10.
- The bank gives you D2 in interest a year later.
- Now you have D12 Your money is working for you, even when you are asleep!

Borrowing and Trust (Credit - Basic)

Sometimes people need something right now, but they don't have the money for it yet, they can **borrow** money.

Credit is the word we use for borrowing money with the promise that you will pay it back later.

- If you borrow a toy from a friend, and you return it in good condition later, you have good **trust** with that friend.
- If you borrow money from a bank (or a grown-up) and you pay it back exactly when you promised, you build good **Credit**.

Good credit means people trust you to pay back what you owe. Having good credit is important when you become a grown-up because it helps you get things like a car or a house.

The Golden Rule of Credit: Only borrow what you know you can pay back, and always pay it back on time!



🚀 Your Mission: The Trust Meter!

1. A friend borrows your favorite pencil and returns it broken a week later, even though they promised to return it quickly and safely. Would you lend them the pencil again?
2. The next time the bank lends money to this friend, do you think they will trust them? (No, because they didn't keep their promise).



Avoid Borrowing From Banks

Giving Back - The Joy of Helping

Being a financial superstar isn't just about how much money you have—it's also about what you do with it!

Remember your **GIVING** jar? This money is the most special because it is used to help others. This is called **donating or charity**.

When you donate, you are supporting a cause that matters to you:

- Helping orphans.
- Buying food for a family who needs it.
- Cleaning up a local Masjid.

You are using your money to make the world a better place. The feeling of helping others is one of the greatest rewards you can get from your money!



Give with respect

Values & Good Choices

Among the secrets to being a financial superstar is making sure your money choices match what you believe in, or your **values**.

- If you **value** the orphans, you might choose to spend a little extra money to support them financially.
- If you **value** local businesses, you might choose to buy your ice cream from the small shop down the street instead of a big chain store.

Your money is your power! Every time you spend, save, earn, or give, you are making a choice that reflects what is important to you. Use your power wisely!

Story: Helping Hands Day

They used part of saved money to buy food for the needy.

"Sharing makes our hearts rich," smiled Grandma.



Lesson – Values & Good Choices

Giving helps others and makes you feel great.



🎯 Activity — Plan Your Giving

Who will you help?

How much will you share?

Why?

Your Mission: Superstar Pledge!

Complete the following sentences:

1. I pledge to always put money into my **SAVINGS** jar before I spend.
2. I pledge to use the **24-Hour Rule** before making a big impulse buy.
3. I pledge to always be kind and use some of my money in the **GIVING** jar to help others.

Emergency Fund (The Safety Net)

What is a real emergency? It's an unexpected event that needs money right away.

For a grown-up, this might be a sudden car repair or a medical bill.

For a kid, an emergency might be:

- **A broken item you need:** Your only school backpack breaks, and you need a new one immediately.
- **A quick trip:** A surprise need to travel that requires a bus ticket or small expense.

The Emergency Fund is your financial safety net. It stops you from having to borrow money (creating a liability!) when something goes wrong.



Story - Emergency Fund

Sarah! I heard our parents saying they want to open an emergency fund.

But what is an emergency fund anyway? asked Sa'ad. An emergency fund is money that you keep aside for unexpected expenses or if you lose your job, replied Sarah. Well how much money should I have in my emergency fund? asked Sa'ad.

You should usually have 3 to 6 months of your expenses, which is the money that you pay for your bills, replied Sarah.

Well, who should have an emergency fund? Everybody or just really rich people? asked Sa'ad.

Everyone should. The amount that you have in your emergency fund might be different depending on your earnings and your expenses. replied Sarah.

Well, do I need a special bank account for an emergency fund? asked Sa'ad.

This may vary from person to person, others may use their regular savings account for emergency fund and others may open a special bank account for an emergency fund, replied Sarah.

Well, what should I do first? Invest or start an emergency fund? asked Sa'ad.

First you should start an emergency fund because, even though investments are for long term goals, an emergency fund gives you a lot of peace of mind, because you know that you have enough money to pay your bills even if things go wrong, replied Sarah.

Can my emergency fund be in the form of stocks so that if the market goes up, I get more money? asked Sa'ad.

No, your emergency fund cannot be in the form of stocks because if the market goes down and that is the time when you have one of your unexpected expenses or you lose your job, then you won't have enough money to pay your expenses, replied Sarah.

Okay. Thank you very much for telling me about Emergency Funds.

The Rule for your Emergency Fund:

1. **Keep it Separate:** Keep it in a special jar or envelope labeled "Emergency."
2. **Don't Use It for Wants:** You cannot use this money for candy, toys, or things that are not a true, urgent emergency. This fund gives you **peace of mind** because you know you are prepared for the unexpected!



Your Mission: My Emergency Plan!

1. Why is an Emergency Fund more important than saving for a new video game?
2. Imagine you have D25 saved in your Emergency Fund. If you suddenly see a cool new toy you want, is that an emergency? (Yes/No)
3. How much money do you think would be a good starting goal for your Emergency Fund?



Part 3: Multiplying Money

Multiplying Money (Investing/ Growing)

- **Definition:** This skill involves using your existing funds to generate more wealth and create passive income streams, essentially making your money work for you.
- **Strategies:** Investing in stocks, real estate, businesses, or education, allowing compound interest to work.

Planting Money Seeds (Investing)

Remember how we said saving is putting money away for later? Investing is a step further: it's putting your money into something that can grow, like planting a seed!

When you invest, you are buying a tiny piece of a business (like a company that makes your favorite toys, or a company that makes popular snacks).

- If that business does well and makes a lot of money, your tiny piece grows bigger, and you make money too!
- If that business does poorly, your piece might shrink, and you could lose money.

Investing is for the Long Run! You don't invest money you need next week. You invest money you won't need for a long time, hoping it will grow big, like a tree!



Is like growing a tree

🚀 Your Mission: The Seed Challenge!

1. Saving is like putting a seed in a jar. Investing is like putting a seed in the ground.

Which option has a chance to grow bigger?

2. Name one company (that makes something you like) that you think would be a good company to invest in (a "money seed").



Do not invest in any business you don't understand!

Highs and Lows (Risk and Reward)

We just learned that investing can make your money grow, but it can also shrink it. This is called Risk and Reward.

- **Risk:** The chance that you might lose some or all of your money.
- **Reward:** The potential for your money to grow a lot.

Action	Risk (Chance of Loss)	Reward (Chance of Gain)
Keeping cash in a jar	Very Low (No one takes it)	None (It stays the same)
Saving in a Bank	Very Low (Very safe)	Low (Only a little interest)
Investing in a Company	High (The company could fail)	High (The company could grow huge!)

The rule is: the higher the potential Reward, the higher the Risk! Smart investors try to find a balance that works for them.

🚀 Your Mission: Risk Taker or Saver?

1. You have D100. Do you think you should put all of it into a risky investment? (Hint: No! Never put all your eggs in one basket.)
2. If you had a very important goal (like paying for college), would you choose a low-risk option (like a bank) or a high-risk option (like a new investment)? Why?



What You Own (Assets)

We've talked about the money you save, but your wealth isn't just the cash in your piggy bank! It's also the things you own that have value. We call these Assets. An Asset is anything you own that could put money into your pocket or that you could sell for money.

Kid-Friendly Examples of Assets:

- **Your Savings:** The money in your bank account or savings jar.
- **Investments:** Those "money seeds" you planted.
- **Valuable Items:** A rare collection (like special trading cards or stamps), a musical instrument, or maybe a bike you could sell.
- **Grown-Up Examples:** A house, a car, or a business. Think of your assets as the things that make your wallet heavier!



What You Owe (Liabilities)

If an Asset is something that puts money into your pocket, a Liability (say it: lie-a-bill-ity) is something that takes money out of your pocket, or something you owe. A Liability is a debt or a financial obligation. It makes your wallet lighter because you have to use your money to pay it back.

Kid-Friendly Examples of Liabilities:

- **Borrowed Money:** If you borrow money from your parent to buy a toy, and you haven't paid them back yet, that debt is a liability.
- **Credit Card Debt (Grown-up debt):** If a grown-up buys something with a credit card and hasn't paid the bill, that is a liability.
- **A Loan:** Money borrowed from the bank (like for a car or house) that must be paid back over time. Think of liabilities as the promises you've made to pay money back!



Money borrowed are Liabilities.



Your Financial Report Card (Net Worth)

So, you know what you **Own** (Assets) and what you **Owe** (Liabilities). Now, let's put them together!

Your **Net Worth** is the simplest way to see if you are financially healthy. It's the total value of everything you own minus the total value of everything you owe.

The formula is super simple:

$$\{\text{Assets}\} - \{\text{Liabilities}\} = \{\text{Net Worth}\}$$

- **Positive Net Worth:** This means you own more than you owe. This is a great sign! You have more assets than liabilities.
- **Negative Net Worth:** This means you owe more than you own. You have more liabilities than assets, and this is a sign you need to save more and borrow less! The goal of every financial superstar is to make their **Assets** bigger and their **Liabilities** smaller so their **Net Worth** keeps growing!

🚀 Your Mission: Calculate Your Net Worth!

Let's pretend you are calculating your current net worth.

1. **Total Assets:** You have D50 saved and a valuable trading card worth D20.

- Total Assets = D70

2. **Total Liabilities:** You owe your sibling D10 for a movie ticket.

- Total Liabilities = D10

3. **Net Worth:** Total Assets D70 - Total Liabilities = D60

- Is your Net Worth positive or negative?



Thank You All

This is Sarah & Sa'ad Finance

