



Helping your child to learn about money

For parents of
children aged 4-11



Aims

- To know why financial capability is important for children
- To understand how your child's experience of money may be different from yours at a similar age
- To know what children need to know about money
- To understand the school's plans for personal finance education
- To know how you can help support your child's learning at home
- To increase your confidence in discussing financial matters with your child
- To take part in some family learning activities

How did you learn about money?

- Parents?
- Grandparents?
- School?



What do they need to know?

- **Financial understanding** e.g. knowing what a bank account is for, where does money come from and where it goes?
- **Financial competence** e.g. looking after and managing money
- **Financial responsibility** e.g. how our choices affect us and other people

The average
age that
children
get their first
mobile phone
is 8 years old



The average
age that
children begin
to purchase
items online is
10 years old



pfeg research by Populus, February 2009

Over 75% of 7-11 years olds are already saving for their future



pfeg and HSBC online poll conducted
by EdComs, July 2007

42% of
children prefer
to store their
money in a
money box



pfeg and HSBC online poll conducted
by EdComs, July 2007

Over 50% of teenagers have been in debt by the time they are 17



pfeg research conducted online
by EdComs, January 2007

What can parents do to help?

Get talking

Talk to even very young children about money

- Where does it come from?
- Why do we need it?
- What can we do with it?
- How does it help us get the things that we need and want?

What can parents do to help?

Getting to know coins

- Ask you child to help count the money in your purse
- Talk about the different sizes, colours and numbers on the coins
- Ask them to sort the coins in to 1p pieces 2p pieces etc.
- Can they find 1 of each coin?
- How many different coins are there altogether?

What can parents do to help?

Making real decisions

Making spending and saving decisions about even small amounts of money can help children to understand:

- They can't have everything they want
- Saving money enables them to buy bigger things that they want
- The value of money

What can parents do to help?

Shopping

- Children love to 'play shops' and this can be done at home with younger children
- When you are out shopping talk to older children about costs, choices, and how you budget for the family

What can parents do to help?

The cost of running a home

Help your child to understand:

- Regular bills such as council tax, electricity, gas and water, telephone , internet, television
- How you manage the household budget

What can parents do to help?

Can you keep all the money you earn?

- Use a pay slip (real or sample) to explain
 - Gross pay
 - Net pay
 - Tax
 - NI
 - Pension
- Talk about how much from the net pay has to be spend on 'needs' and what is left to spend on 'wants'