

Talking Quids with Kids

A guide to help educate
children about money



Bank of Ireland  UK
Begin



Welcome

This guide has been created for children under the age of 12. It is designed to promote good money habits and general money awareness. By introducing children to the basics of money, like planning, saving, sharing, spending and setting goals, you can set them up for a life of good money habits.

It is divided into two main sections. The first is for children aged 5 to 6 years of age; the second for children aged 7 to 12. It includes many easy lessons and fun games and activities.

Talking Quids with Kids is an important part of Bank of Ireland UK's Financial Wellbeing Programme which has been created to help people (and business owners) develop a better understanding of how money works. The aim of the Financial Wellbeing Programme is to empower people to make informed financial decisions and ultimately support better financial decision making for themselves, their families and their businesses.

If you would like to find out more about our Financial Wellbeing Programme, please visit bankofirelanduk.com/financialwellbeing



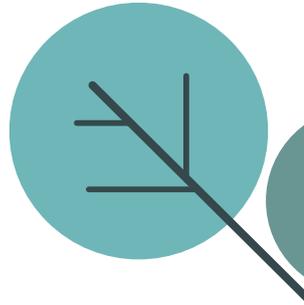
Ollie's Money Discovery

Meet Ollie the Owl, whose goal is to continuously seek out knowledge. Recently, Ollie heard about money and wants to learn more. So let's get started on Ollie's journey of discovery, and find out what money is all about!



Section 1:

For children up to 6 years old



Here's what we'll cover:

1. How paper money and coins have different values.
2. How different goods and services have different prices.
3. How planning helps people to choose what to do with their money.
4. How spending, saving, and sharing are ways to use money.
5. How sometimes people can borrow an item, or even money, if they promise to return it.

Money

In this activity, you will be encouraging children to consider what money is, and showing them how various notes and coins have different values.

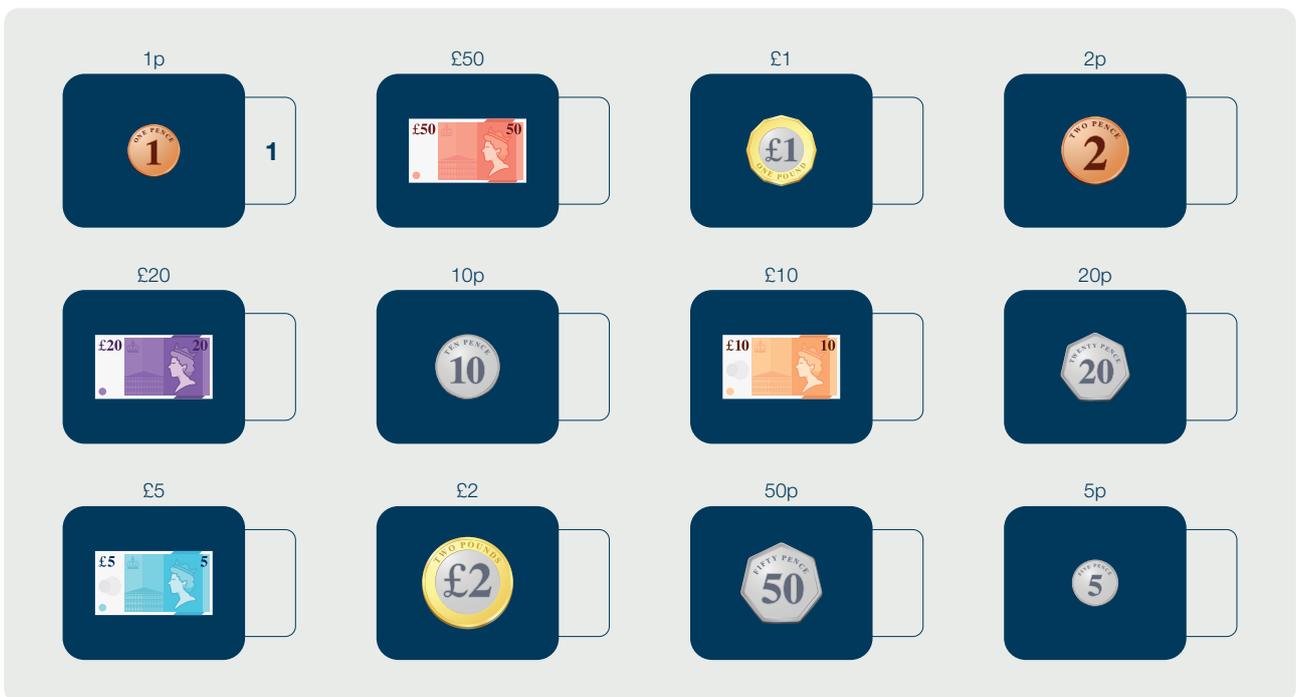
What is money?

Money is a tool that people use to pay for lots of items.

Activity 1: Values of notes and coins

Look at the Sterling notes and coins and:

1. Describe the coins and notes by appearance and name them
2. Place them in order of value (smallest to largest)



The next time you are buying something together in a shop, let them pay for the items and receive the change.

Activity 2: What is money made of?

The Sterling notes we use today are manufactured using cotton and newer versions use a special polymer. Polymer is a thin, flexible plastic material.

Challenge children to find three household items which are made using cotton and let them guess the cost of each item.



For this activity, you can create a price tag for each item. Once a price is agreed work out the mix of Sterling notes and coins that could be used to pay for each one.

Lesson: Paper money and coins have different values.

Planning

Planning helps people choose what to do.

Activity 3: In this exercise, you are encouraging children to consider how to plan a trip. Ollie the Owl will visit his local supermarket first!

Ollie looks in the kitchen cupboards and realises they are empty. So Ollie plans to visit the local supermarket for some tasty snacks.

List five items Ollie might buy there:



1. _____
2. _____
3. _____
4. _____
5. _____

Activity 4: Make a list of items you might need to buy if there are friends or family coming over to visit.

1. _____
2. _____
3. _____
4. _____
5. _____

Lesson: Planning helps people to know what they need to get and to choose what to do with their money.

Spending

Here we want children to consider items they may wish to buy and the cost of those items.

Activity 5: Beside each of the five items Ollie the Owl purchased in Activity 3, list how much you think they cost.

Item

1. _____
2. _____
3. _____
4. _____
5. _____

Cost

- £ _____
- £ _____
- £ _____
- £ _____
- £ _____

Lesson: Different items cost different amounts.



Spending and saving

The aim of this exercise is to show children that if they have money and only spend some of it, the rest of it can be saved for a future activity or shop visit. It also introduces the idea of regular saving.

Activity 6: Work out how much Ollie the Owl can save.

Ollie received £10 as a present for helping with the supermarket shopping. If Ollie does not spend the £10, how much could Ollie save?

£ _____

If Ollie spent £5 of the £10 received for helping with the shopping at the supermarket, how much could Ollie save?

£ _____

If Ollie saves £2 every day, how much could Ollie save in 30 days?

£ _____

Lesson: You can choose to spend or save money.

Planning to spend

Planning allows us to understand what we need to undertake a journey. If we travel from one place to another, it means we will need to know how to get there, including which roads to take and the time it will take us.

The same is true when it comes to shopping. We should first work out a list of items that we plan to buy. In this activity, ask children to list some items they (or their parents) have recently purchased at a shop.

Activity 7: List 5 items bought at a shop recently

1. _____
2. _____
3. _____
4. _____
5. _____

Lesson: Planning is important because it allows us to work out how much money we will need to purchase items at a future date.

Activity 8: Planning to save

List five things you plan to buy with money you save up, and put the cost beside each one.

1. _____	£ _____
2. _____	£ _____
3. _____	£ _____
4. _____	£ _____
5. _____	£ _____

Lesson: Saving is important as it allows us to have some money for future events and needs.

Activity 9: Places to save

Ollie the Owl plans to save £20 for an upcoming trip away. List some places Ollie could keep the £20 to make sure it is safe?

1. _____
2. _____
3. _____

Remember, no matter where Ollie the Owl saves the £20, it is still Ollie’s own money, and Ollie can decide how to use it.

Lesson: The money you save in a secure place is just being stored there, and it is yours to use whenever you want to access it.

Sharing and borrowing

Sharing and borrowing are important within a family or group of friends.

Here, we explore how it is important to return items that we borrow in good condition.

Activity 10: Ollie the Owl owns a rugby ball and lends it to Shane who needs it for practice. Ollie shares the rugby ball with Shane. Who owns the rugby ball?



1. Ollie the Owl

Yes

No

2. Shane

Yes

No

Shane borrowed the rugby ball from Ollie. When he is finished with it, what should Shane do?



1. Keep the rugby ball

Yes

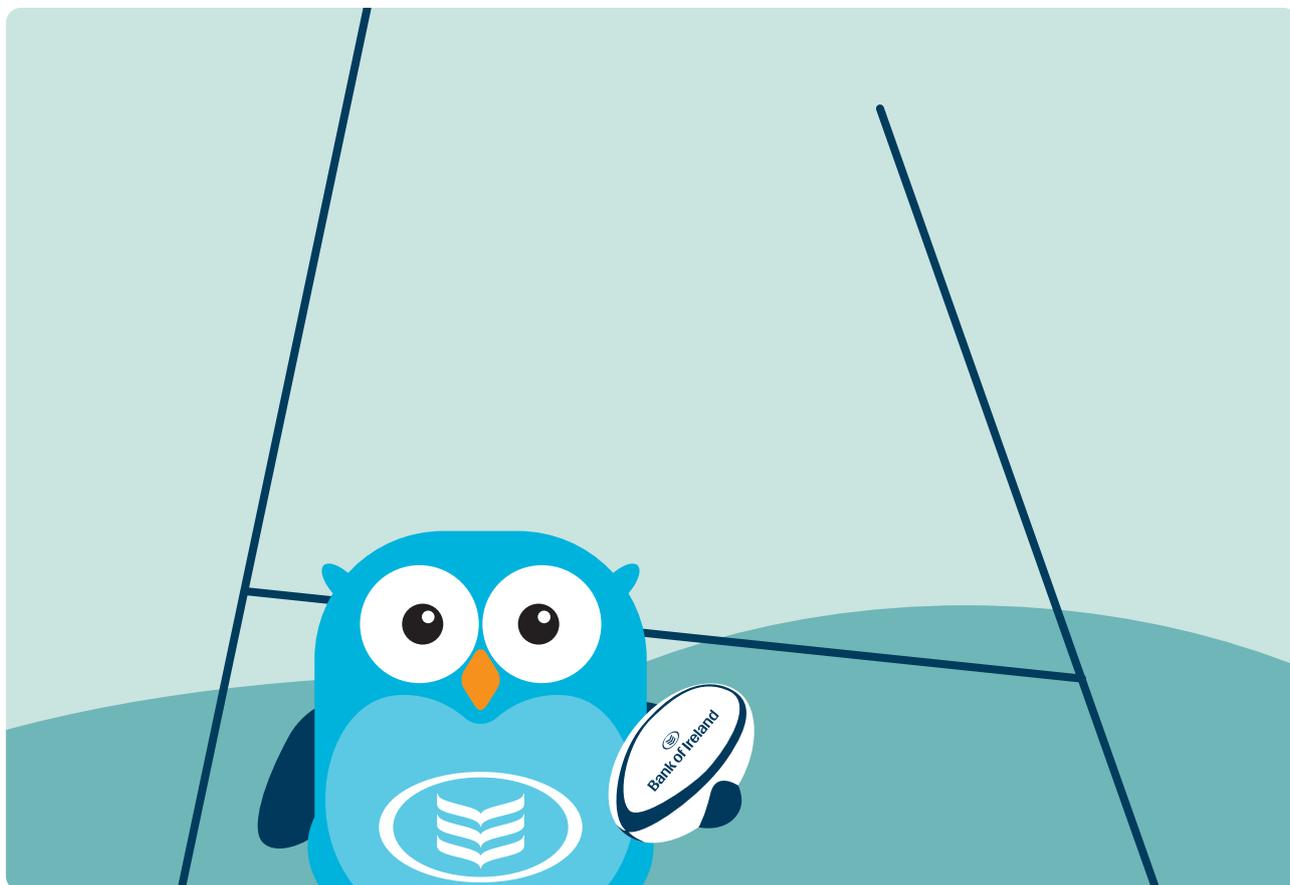
No

2. Return the rugby ball to Ollie the Owl in the same condition he borrowed it

Yes

No

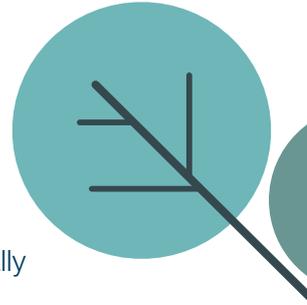
Lesson: Sharing and borrowing items are not the same as owning them.





Section 2:

For children aged from 7 to 12 years old



Ollie the Owl is curious about money. Every day Ollie sees people and businesses use money to buy and sell all sorts of things. So Ollie decided to investigate what money really is and explore how people get it and look at how they spend it.

Let's join Ollie on a journey, to discover more about money.

Here's what we'll cover

1. Money is a tool
2. Where money comes from
3. Needs and wants
4. No bottomless money-pit
5. Putting your child in the driver's seat
6. Showing them how to plan
7. Money needs a roadmap to keep us on track

Money is a tool

This section is aimed at promoting a better understanding of the role of money in our community. For example, it is a means of exchange, a unit of account and a store of value. But for now, let's help children to understand that money is a really valuable tool, one they need to use carefully.

10 interesting facts about money

1. 6,000 years ago, before coins and banknotes, people used to pay for things like apples with milk. It was a system called barter.
2. 3,000 years ago, those living in modern-day China used seashells to pay for various goods.
3. 2,500 years ago, the first versions of modern money were made out of metals such as gold and silver.
4. The original value of a British Pound was equal to a pound (in weight) of silver.
5. Coins and banknotes are popular items for collectors, especially rare, old and misprinted ones.
6. Credit cards were first used in New York City in the 1950s.
7. 343 million people use the Euro as their day-to-day money.
8. Over 1.3 billion Chinese people use the Yuan as their currency.
9. In the USA, cotton is used to manufacture Dollar bills.
10. In Sweden, more people pay for purchases using digital payments like cards or apps, than with cash.

Today we are starting to see a new type of money called digital or crypto-currency, like Bitcoin, Libra (from Facebook) and many more.

Activity 1: Challenge your child to list 20 everyday items we pay for. The list could include items like the following:

Food	TV	Clothes
Treats	Petrol / diesel	Concert tickets
Phone top-up	Cinema tickets	Public transport

Activity 2: List two ways that you can acquire something without using money.

The list could include the following:

1. Borrow

2. Barter

Word Focus

Borrow means you have to return the item in the future; this could be the next day or several weeks later. It also means that the person that lent you the item will probably want to receive it back in the same condition as when you borrowed it.

Barter means to trade one item for another, with the goal of getting a 'fair' trade. If one person has a pair of gloves worth £10 and their friend has a bag of apples also worth £10, and both agree to trade the apples for the gloves, this is a pretty fair trade.

Question Time

Would you consider the following a fair exchange in value or an unfair exchange?

1. Trade an onion for a smartphone. Fair or unfair?
2. Trade a new pair of runners for an old pair of runners. Fair or unfair?
3. Pay £2,000 for one litre of milk. Fair or unfair?
4. Pay £1 for one litre of milk. Fair or unfair?
5. Trade a rare coin for a rare stamp (both of equal value). Fair or unfair?

Lesson: Money is a valuable tool.



Where money comes from

Unfortunately, money doesn't actually grow on trees. So it's important for children to understand that money must be earned. But earning money can happen in many different ways. Here are 5 important points about earning that children can learn from an early age.

1. People work to earn money.
2. People who work for others are called employees.
3. Some people choose to work for themselves. These people are called 'self-employed'.
4. People that earn income pay tax on that income.
5. Tax reduces the amount of income a person gets to keep for themselves.

Activity 3: Time to think

What do you want to be when you grow up?

Will you be an employee or self employed?

List 2 times you received money from someone else? (Hint: birthday present, pocket money)

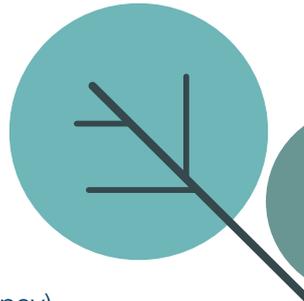
Do people ever work without getting paid? (Hint: volunteers).

List some situations where volunteers might help out for no pay. (Hint: to help others, to help communities, to help in organising sports events).

Activity 4: Match that job

1. Steve was feeling ill. He made an appointment to see his _____.
2. Jen owns a farm. When one of her animals became ill, she called the _____.
3. Eoin's electricity stopped working. He called an _____ to check out the problem.
4. John is a _____. He puts out fires when they happen.
5. Jane works in a school educating students. Jane is a _____.
6. Joan's car is making a strange sound. She visits her _____ to fix the problem.
7. Peter's tooth ached, so he called his _____ to get treatment.
8. Karen makes cakes for parties. Karen is a _____.
9. Edward writes for the newspaper. Edward is a _____.
10. Susan helps the local sports club for no pay. Susan is a _____.

Answers: Doctor, Vet, Electrician, Fireman, Teacher, Mechanic, Dentist, Baker, Journalist, Volunteer.



Activity 5: Tax – Income Tax is money adults pay to the Government from their salary or wages when they earn income. Tax is collected by the Government, and is used for lots of things in the community, for example roads, ambulances and fire brigades.

1. Jane earns £50 and pays £10 tax. How much does Jane get to keep?
2. Darragh earned £200 and paid £75 tax. How much does Darragh get to keep?
3. Patrick volunteered his time for 1 day, helping at a local community event. Does Patrick have to pay tax? If not, why not?

Answers: 1. £40. 2. £125. 3. No, Patrick pays no tax since he earned no income while volunteering to support his local community.

Lesson: People work to earn money and pay tax on the money they earn.

Needs and wants

Throughout life, and on a day-to-day basis, we see lots of advertising messages that are designed to encourage us to spend our money.

When it comes to managing money, it's important to understand the difference between a NEED and a WANT.

A NEED is something essential, like food and clothing.

A WANT is not an immediate priority, but is something you would like to have.

Let's take a closer look at some examples of NEEDS and WANTS.

- Water – You will NEED water on a warm day or after exercise to cool down, but people may WANT the most expensive brand of water, since that is what their favourite celebrity also drinks.
- Clothes – you NEED a hat to stay warm, but you WANT an expensive one in the shop because you and your friends like the company or brand that make it.
- Food – you NEED to eat but you may WANT the most expensive brand of food in the supermarket as it is the same brand a famous TV chef was using on their TV programme.

Activity 6: Choose whether each of the following fits better in the NEEDS box or WANTS box.

Phones

Basic Phone

Premium Smart Phone

Clothes

Shoes on sale

Premium brand of runners

Water



Basic bottle of water (or water from the tap)



Expensive flavoured bottled water

Car



Basic model to get from A to B



Most expensive model with all the latest gadgets

Activity 7: Peer pressure

Sometimes we may feel a little pressured to buy an item to feel 'cool' amongst our friends. This can sometimes cause people to spend more than they want to or can afford.

For this activity:

- Take out all your child's 'must have' items bought over the last few years.
- With each item, ask your child why he or she wanted it and how often they've used it.
- Decide if it was a need or a want
- For the "wants" examine why your child wanted it.

Lesson: A need is something essential, a want is something that might not be essential but something you would like to have.

No bottomless money pit

Money is not endlessly available, and it can, and does, run out. You have already discussed some day-to-day issues about money – that it's a tool, that it has to be earned, that there are many tempting ways to spend it. It's now time to progress to helping your child think about how they would use money for a range of everyday activities and items. The one thing you must convey is that money can run out and that "when it's gone, it really is gone".

Activity 8: Consider upcoming activities and costs

- List 5 grocery items you plan to buy (including some you know your child really likes). Choose items that offer a range of own-labels and more expensive brands
- Put some cash in a purse – enough to cover the approximate cost of the items.
- Then ask your child to go buy those items and pay for each thing at the till using the cash in the purse.
- See how they get on. It will be interesting if, when using 'their' purse, they look for bargains or go straight for the top-of-the-line products.

Lesson: Money is a limited resource and it can run out.

Putting your child in the driver's seat

Now we have gone through some lessons and theories on money, it's time to graduate to the practical aspect of how to use money.

Here, you will be providing your child with a personal budget to navigate his or her own way around (under your supervision). A simplified daily/weekly budgeting planner is included with this guide.

The important point is that you are giving them the freedom to choose how to use money. Observe how they use it. Reinforce the messages that money is precious, that it needs to be earned, and there are so many places wanting us to spend it with them. Also, remind your child that money is essential to so many day-to-day things, like paying for food, transport and clothes, so they should know how to manage it in order to have it when they might need it most.

Activity 9: Spending must be balanced against saving

- Talk to your child about something they really WANT but they do not have enough money saved to buy at present. They should have a good idea of the cost of the item, but if not, do an online search and use a few different merchants to find the best price (this is an important lesson on price comparison in its own right).
 - Next, sit with your child to review how much they have in savings or, if they receive it, weekly pocket money and work out what the shortfall is.
 - Next, help them work out how long it would take to buy it if they saved all, half, or a quarter of their pocket money each week.
 - Help your child to decide their best savings option to reach their target.
 - Create a Budget Calendar, marking the daily or weekly amount targeted and reached to keep them motivated to reach their goal.
- Consider offering a reward or bonus in the last week if they have been staying the course.

Activity 10: Put £2 to the test!

In 1980, you could buy a standard bar of chocolate for about 20 pence.

Let's see how far £2 goes today.

- Give your child £2 and invite them to spend it on whatever they choose in the supermarket.
- Next, bring them on a trip to a main shopping street or in a shopping centre and repeat the £2 test... they can spend it as they please.
- Now, ask them to recall how easy it was to find something to buy for £2. Did they buy something they really wanted?
- Ask if it was easier to find something in the supermarket than in the main street or shopping centre.
- Ask if they spent the £2 on a NEED or a WANT.

Lesson: A savings goal and budget plan can help work out the best approach to saving for a goal.

Showing them how to plan

Planning for longer term money goals is something that all families need to do from time to time, especially if they have a specific target in mind. If you have a car loan, you must pay it off over time, and in order to do so, you need to have income and manage your budget accordingly.

If you plan to buy a car without a loan, you need to save. Again, you will need to earn income and not spend all of it if you want to reach your savings goal.

Activity 11: Tracking expenses versus income

- Allocate a budget to a particular week or month. This budget should cover all outgoings for the family. Make a note of where this money / income came from (for example, salary or wages).
- Record the amount you spend during the week – whether that is in a shop, online or via a direct debit
- After spending, subtract the amount from the budget you allocated and show the workings to your child.
- The idea here is to demonstrate that the balance on the budget is reducing.
- Repeat the activity and, if you are doing it regularly, your child should see that there are a lot more instances where money is spent than there are where money comes in.

Lesson: Tracking expenses on a budget plan can illustrate how a bank balance will reduce each time we spend.

Money needs a roadmap to keep us on track

Children of all ages stand to benefit from discussion on some important facts when it comes to money. For example, it is an essential tool. It must be earned. It needs to be managed. It is not endless. There are many temptations to spend it and so on.

For this final activity, what you really need to assess is your child's attitude to money and how they will actually manage it. Get them to plan a budget for something they want to do. By looking at all the costs in advance, they'll find they can make their money go a lot further. Remind them of how they can compare prices. There is a daily budget tool included to help them plan their weekly spending (make copies if necessary) and give them the freedom to be their own money manager. Note: this activity is especially relevant for children 10–12, but younger children can also learn from the exercise.

Activity 12: Planning the budget

- Set a budget for an upcoming event.
- Track all of the costs of the event – for example, if you drive or take a bus, factor that into the total cost. Also, if you have parking costs, account for that too.
- If the trip is to a restaurant, list out the cost of each meal that each person got. Don't forget the soft drinks and desserts, and the tip!
- At the end of the trip, match back the budget that was originally set and add up the final cost of the trip (if you drove, use 50 pence per kilometre).
- Finally, did you BLOW the BUDGET or KEEP within the BUDGET?

Lesson: Setting a budget and identifying costs can help us manage our money more effectively.



Daily Budgeting Calendar

	Money in	Money out	Balance
Monday	£ _____	£ _____	£ _____
Tuesday	£ _____	£ _____	£ _____
Wednesday	£ _____	£ _____	£ _____
Thursday	£ _____	£ _____	£ _____
Friday	£ _____	£ _____	£ _____
Saturday	£ _____	£ _____	£ _____
Sunday	£ _____	£ _____	£ _____

Weekly Budgeting Calendar

	Money in	Money out	Balance
Week 1	£ _____	£ _____	£ _____
Week 2	£ _____	£ _____	£ _____
Week 3	£ _____	£ _____	£ _____
Week 4	£ _____	£ _____	£ _____
Week 5	£ _____	£ _____	£ _____
Week 6	£ _____	£ _____	£ _____
Week 7	£ _____	£ _____	£ _____
Week 8	£ _____	£ _____	£ _____
Week 9	£ _____	£ _____	£ _____
Week 10	£ _____	£ _____	£ _____

Copy this page as required if you need additional time to reach your goal.

Money Goal Planner

Amount to save

£ _____

Time to Reach Goal

Days _____ Weeks _____

Save per

Day £ _____ Week £ _____

Money Goal Tracker

	Save Goal	Actual Saved	Total Saved
Week / Day 1	£ _____	£ _____	£ _____
Week / Day 2	£ _____	£ _____	£ _____
Week / Day 3	£ _____	£ _____	£ _____
Week / Day 4	£ _____	£ _____	£ _____
Week / Day 5	£ _____	£ _____	£ _____
Week / Day 6	£ _____	£ _____	£ _____
Week / Day 7	£ _____	£ _____	£ _____
Week / Day 8	£ _____	£ _____	£ _____
Week / Day 9	£ _____	£ _____	£ _____
Week / Day 10	£ _____	£ _____	£ _____
Week / Day 11	£ _____	£ _____	£ _____
Week / Day 12	£ _____	£ _____	£ _____
Week / Day 13	£ _____	£ _____	£ _____
Week / Day 14	£ _____	£ _____	£ _____
Week / Day 15	£ _____	£ _____	£ _____
Week / Day 16	£ _____	£ _____	£ _____

We welcome your feedback, so please feel free to share your thoughts with gail.toal@boi.com

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