



Five Big Questions About Money:

How can we Look after our money?

Classroom Resources





LifeSavers: An introduction

LifeSavers is a financial education programme for primary schools, helping children manage money wisely now and in the future.

LifeSavers has three key elements:

- **Intensive support to schools - teacher training and resources - to help integrate financial education with the whole school curriculum**
- **School savings clubs set up in partnership with a local credit union and run by pupils under adult supervision, with children encouraged to save small, regular amounts of money**
- **A community approach involving parents and volunteers from the local church and community**

Combining these key elements helps classroom learning to be put into practice through participation in the savings club, with the active support of parents and the wider community. This reinforces positive attitudes and behaviours from a young age when many habits around money are being formed. LifeSavers encourages children to develop a wise, generous, just and thankful attitude to money, contributing towards their character development and future life chances.

LifeSavers is a partnership between the Archbishop of Canterbury's Just Finance Foundation and Young Enterprise, the UK's leading charity that empowers young people to harness their business and personal skills.

Values-based financial education

The development of financial capability in children and young people is seen as increasingly important. Many key decisions in life involve financial considerations and young people today are required to navigate a range of financial complexities, making difficult choices that will often have a significant impact on their futures.

LifeSavers' vision is to establish an effective national financial education programme for primary schools that will equip children with the knowledge, skills and attitudes to manage money well, now and in the future.

This vision also roots financial education in a set of core values that manifest a desire for human flourishing in its widest sense – 'life in all its fullness'.

LifeSavers seeks to deliver values-based financial education. It aims to do this through the provision of teaching resources that integrate financial education and values learning and can be linked to practical learning in the form of a savings club in school.

The LifeSavers resources are made up of two sets of materials:

- **Five Big Questions About Money: classroom resources for teachers**
- **Values for LifeSavers: collective worship resources for the whole school**

Together, these resources provide a unique approach to delivering values-based financial education. Both sets of materials are based upon, and explore, four core values of **generosity, wisdom, thankfulness** and **justice**. These values have been selected as they are pertinent to discussions across a range of financial themes and topics.

The Five Big Questions About Money are mapped to the Financial Education Primary Planning Framework www.pfeg.org/PrimaryPlanningFramework. This sets out key areas of financial knowledge, skills and attitudes across four core areas of learning: how to manage money; becoming a critical consumer; managing risk and emotions; and how finance plays an important part in people's lives.

The structure of Big Questions allows us to explore all the things we can do with our money - spend, save, give, lend, invest and borrow - in relation to the four core values identified above.

The collective worship resources are a complementary and companion set of materials that make explicit links with Biblical teaching, but which also offer ideas that can be adapted easily to use in multi-faith or secular settings. They can be used alongside the Five Big Questions to engage further with each of the four core values.

Values-based financial education in practice

All LifeSavers resources are designed to be delivered flexibly to suit the requirements of individual schools, and may be used alongside other financial education resources. They provide comprehensive guidance about how these materials can be used with pupils, and show where there are opportunities to link the classroom learning to the practical savings club - making financial education real.



About **Young Enterprise**

Young Enterprise is the UK's leading charity that empowers young people to harness their personal and business skills. We work directly with young people, their teachers and parents, businesses and influencers to build a successful and sustainable future for all young people and society at large.



About the **Just Finance Foundation**

The Just Finance Foundation was established by the Church of England and Church Urban Fund to develop and implement the Archbishop of Canterbury's vision of a fairer and more just financial system. We work with credit unions, churches, schools and other local organisations to strengthen the financial resilience of communities through financial education and improved access to responsible credit and saving and free debt advice services.





Five Big Questions About Money

Welcome to the LifeSavers classroom resources: Five Big Questions About Money. These materials have been designed to engage pupils in learning about money through the lens of four core values: generosity, wisdom, thankfulness and justice. It's an approach we refer to as values-based financial education.

They are complemented by the Values for LifeSavers collective worship resources, based upon the same four values. See pages 17-18 for the LifeSavers core values.

How to use this resource

The Five Big Questions About Money are:

- Where does our money come from?
- How does money make us feel?
- What can we use our money for?
- How does our money help other people?
- How can we look after our money?

These questions have been designed to enable pupils to explore all the things we can do with our money – spend, save, give, lend, invest and borrow – in relation to the four core values identified above.

Resource Icons



Indicates activities which can link to a school-based savings club.



Indicates activities which can be used to engage parents and the wider community in children's financial education.



Indicates where there is additional factual information which may assist with delivering the activities.



Identifies relevant suggestions for scaling the activities up or down, depending on the abilities and needs of your pupils.

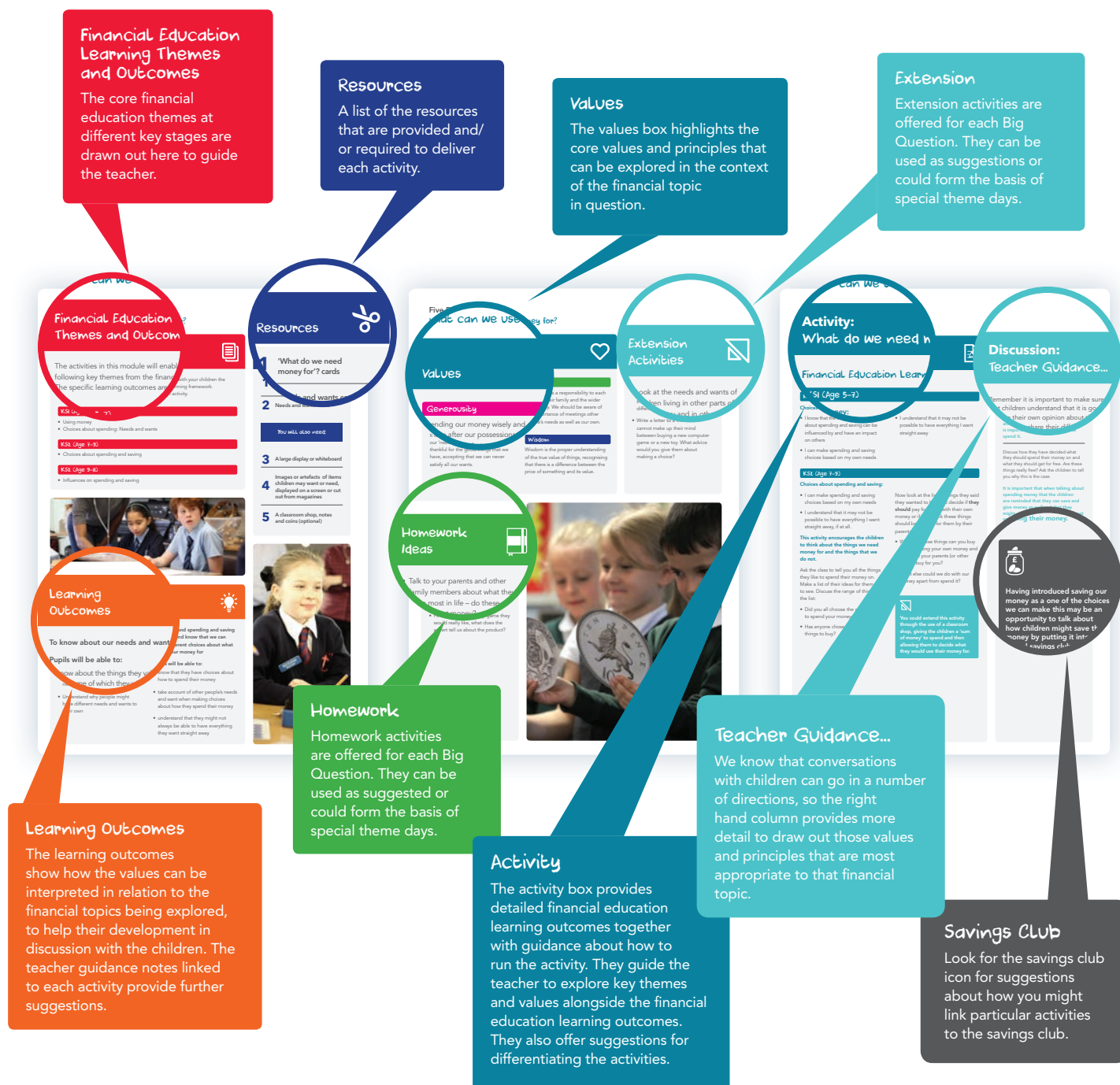
The activities will enable children to acquire a range of financial skills and knowledge, whilst also exploring how the values of generosity, wisdom, thankfulness and justice can shape their attitudes to, and decisions about, money.

There are opportunities across all of the Big Questions to link classroom-based learning to a school-based savings club. However the Big Question, 'How can we look after our money?', examines the principle of saving in detail and can be linked most closely to the practical experiences of saving provided by a school savings club.

Each Big Question contains a series of activities that address the theme and offer homework and extension opportunities. Each activity takes approximately one hour to deliver. Timings, however, may vary if, for example, creative aspects are extended or curtailed, or extension activities are incorporated.

How to use this resource

To help you navigate the materials, the Big Question structure and layout are shown below.



Like the Financial Education Primary Planning Framework itself, the Big Questions are designed to be flexible, each containing progressive activities which highlight the key learning outcomes from the framework and Key Stage guidance.

You can deliver the Big Questions in any order and, similarly, you can decide to deliver activities from all five or to focus on fewer.

Where in the curriculum?

In England, financial education features in mathematics and non-statutory programmes of study for Personal, Social, Health and Economic education (PSHE education) at Key Stages 1 and 2. The Big Questions could be used discretely in PSHE education delivery or as a context for literacy or numeracy work. They could form part of topic work or single-focus activity weeks. The activities could also be used to explore religious values and how these relate to our relationship with money and our behaviour.



How can we Look after our money?

In this Big Question, children will explore ways to look after their money, including saving. They will start by looking at keeping money safe and some of the moral dilemmas around losing, finding and keeping money.

This is an opportunity to think about borrowing and lending. Reflecting on their own personal possessions allows children to think about the consequences and responsibilities of both lending and borrowing, and how this might be part of wise financial planning as they get older.

They will also focus on how to keep track of the money they have and how savings can make our money grow. This allows children to explore the benefits of sensible spending and saving choices that help them make the most of the money they have – saving money for a purpose rather than as an end in itself.



The activities can be linked to practical experiences of savings that might be provided by parents helping their children to open a savings account at the bank, building society or credit union, or via the school saving club set up as part of the LifeSavers programme.



Five Big Questions:

How can we look after our money?

Financial Education Learning Themes and Outcomes



The activities in this Big Question will enable you and your pupils to explore the following key themes from the financial education planning framework. The specific learning outcomes are outlined in each activity.

KS1 (Age 5–7)

- Feelings about money
- Looking after my money: saving money
- Keeping track of money

KS2 (Age 7–9)

- Keeping records
- Choices about spending and saving
- Using accounts to keep money safe and to save
- Lending and borrowing

KS2 (Age 9–11)

- Borrowing and saving

Learning Outcomes



To know that we need to look after our money

Pupils will be able to:

- Explain why they should look after their money, identify a safe place to keep their money at home and when they are out shopping, and know that some places are safer than others

To recognise ways in which we can manage our money, including saving it

Pupils will be able to:

- Know how to calculate how much money they have to spend, plan what they want to purchase and how much it will cost and understand the value of saving for something
- Explain how they might manage over or underspend

To be aware of the need to save money

Pupils will be able to:

- Appreciate why we need to save money rather than spending it all
- Discuss why saving up for something might be the only option
- Identify items or events they might need to save for

To begin to understand lending and borrowing money

Pupils will be able to:

- Identify circumstances when you might need more money than you have
- Discuss why you might borrow money and how it might make you feel
- Understand why borrowing and lending money might be risky

To recognise we all have responsibility for making the best of our money

Pupils will be able to:

- Know that they need to accept responsibility for managing their own money and how a savings account can help them to do that

Resources



- 1 Tom's Coins
- 2 Annie's Purse
- 3 What if ...? cards
- 4 Spend and save cards
- 5 Spending and saving scenario sheets
- 6 Savings goal recording sheet
- 7 What can I buy? information sheet
- 8 (a) Price list
(b) Shopping list
- 9 Do you know the difference? sorting cards
- 10 Credit union missing words activity
- 11 Why use a savings account? sheet
- 12 Calculating interest sheet
- 13 Savings account information cards
- 14 Comparison sheet

This module also contains a **TEACHER FACT FILE** that gives you information about the credit union movement

You will also need:

- 1 A cloth bag with coins in it
- 2 Real or plastic coins to the value of £6-12 per child
- 3 A receipt
- 4 Leaflets and advertisements for savings accounts

Five Big Questions:

How can we look after our money?

Values



Generosity

We can only give in relation to what we have. Planning your giving is both generous and wise.

Justice

Money should be used to serve people, not the other way around. Injustice occurs when, out of greed, money becomes the end and not the means.

Wisdom

We show wisdom in the way we prepare for the future in financial terms, including saving for things we wish to buy.

Extension Activities



- Visit a credit union or other financial institution or ask someone into school to talk to the children about saving and saving accounts. This could be linked to starting a savings club.
- Where should I save my money? A more detailed task for KS2 pupils could be to design a page for a comparison website to show what different savings accounts can offer.

Homework Ideas



- Create a poster with five top tips about saving. This should be something you could show their friends and family to encourage them to save.
- Look for bank and savings account adverts on the TV or in newspapers and magazines. What information do the adverts provide?



Five Big Questions:

How can we look after our money?

Activity:

Looking after our money



Discussion:

Teacher Guidance

Explore different places we can keep our money at home and when we are out and about. Children might use a money box, a purse or wallet and some of them might have a savings account.

Use this activity to reinforce messages around the ethics of handling money including losing/finding/stealing and the importance of honesty and trust.

This activity also helps children to understand the true value of things. People may have worked hard in order to give a gift of money and it is important to value it and keep it safe. This is one way to show we are **thankful**.

Help the pupils reflect on what they have learnt about losing and finding money.

Consider things such as keeping money in a money box, a wallet or purse, not carrying more money than we need, having our name in our wallet, not to keep taking the money out and looking at it, not to leave money lying around at home where it might get lost.



This is an opportunity to talk to the children about how a savings account can be a safe place to keep money where you can also watch your money grow.

Financial Education Learning Themes & Outcomes:

KSI (Age 5–7)

Feelings about money:

- I know that money may make me feel happy or sad.
- I can describe the way money makes me feel.
- I am beginning to understand that other people may have different feelings about money.

Looking after my money:

- I know I need to look after my money and can choose a safe place to keep my money.
- I know I can keep money in different places and some places are safer than others.
- I am beginning to understand the consequences of losing money and how that might make me feel.
- I can choose different places to keep my money safe and explain why.

In this activity the children will begin to appreciate the importance of looking after money.

Begin the activity by reading aloud the story of **Tom's coins**. Talk about what happened to Tom.

- What was the result of Tom losing his money?
- How might Tom have avoided losing his pocket money?
- What would you advise Tom to do next time?

Talk with the children about safe places we can keep our money. Would we keep our money in a different place when at home compared to when we go shopping?

- Draw a picture to show some safe places for Tom to keep his money, at home and when he goes shopping.

Now read the story of **Annie's purse** to the children. Talk about what happened to Annie and ask the children to write the end of Annie's story.

- Imagine you found Annie's purse at the swimming pool. Write about what you would do.
- What if Annie's money hadn't been in a purse? If it was just coins and notes that you found lying in the changing cubicle, would this make a difference to what you would do?

Talk to the children about their own experiences.

- Have you ever lost some money?
- Have you ever found some money?
- What did you do?

Ask the children to write a list of five things to remember about keeping our money safe.

Five Big Questions:

How can we look after our money?

Activity:

Respecting the things we all have: borrowing and lending (1 of 2)



Discussion: Teacher Guidance

This activity explores the concept of lending and borrowing within the context of personal possessions rather than money. It helps the children to respect the things they have and those things that belong to others.

It is important to ensure that the children understand that there are certain responsibilities around borrowing and lending, whether this is other people's possessions or, in later life, money.

Using the **What if? cards** which offer different scenarios, there are opportunities to explore how pupils feel about lending their possessions/ the things they value. One can explore the fact that this is a generous thing to do but can be risky. Sometimes these conversations work well using puppets. The pupils can act as 'experts' by offering advice to the puppet with the problem. What would they advise the puppet to do?

Financial Education Learning Themes & Outcomes:

KSI (Age 5-7)

Feelings about money:

- I know that money may make me feel happy or sad.
- I can describe the way money makes me feel.
- I am beginning to understand that other people may have different feelings about money.

This activity will help the children to begin to explore the concepts of lending and borrowing and the responsibilities connected with these ideas.

Begin the activity by asking the children about these concepts.

- Give an example of something you have borrowed or lent. For instance, have you borrowed a book from the library or borrowed a game, toy or other item from a friend?
- What happens if you lose or damage the item you have borrowed?

Use the **What if...? cards** to talk about different situations around borrowing and lending. Give each group a card.

- Read the **What if...? card** you have been given and discuss what you would do in this situation with your group. Make up a story around the situation and then act it out. Think about how each person would feel about it - the person who has lent something and the person who has borrowed it.

Using discussion and role play, explore the importance of behaving responsibly when we borrow something. We must take care of it, give it back, and if something goes wrong, be honest and work out how to resolve the situation.



The children could write their own story or draw a poster explaining why we need to act responsibly and honestly when borrowing and lending.

Five Big Questions:

How can we look after our money?

Activity:

Respecting the things we all have: borrowing and lending (2 of 2)



Financial Education Learning Themes & Outcomes:

KSI (Age 5-7)

Looking after my money:

- I know I need to look after my money and can choose a safe place to keep it.
- I know I can keep money in different places and some places are safer than others.
- I am beginning to understand the consequences of losing money and how that might make me feel.
- I can choose different places to keep my money safe and explain why.

Keeping track of money:

- I know there are ways of keeping track of my money and what I spend and I can keep simple financial records.
- I am beginning to understand that I might run out of money if I don't keep track of it.

Saving money:

- I know I can save money to use later instead of spending it now.
- I can describe why I might want to save money.
- I am beginning to understand why saving money is important and how that makes me feel.

In this activity the children have to decide if they will spend or save and the implications of their decision.

Give each group a set of **Spend and save cards**. They need to look at each card and decide if it is about saving or spending. Saving cards should be put in one pile and spending cards in another. Once the cards are sorted, ask them to add up each pile to see how much they will have spent or saved. How much money would they have left in their money box?

Would they have spent and saved in the same way? What would they have done differently and why?

Sometimes we save our money because there is something we want to buy that costs more money than we have. This is called having a savings goal.

- Have you saved your money up to buy something that costs lots of money?
- Think of something you would like to save up for and share your idea with others in the group. How do you think you will save up for it? How long do you think it will take you?

Give each group one of the **Spending and saving scenario sheets**. The children need to read the information about their character and work out how much money they will have saved and spent over the course of ten weeks.

- Record the financial transactions for your character using the **Savings goal recording sheet** and then work out the total amounts spent and saved. Does your character reach their savings goal? If not, how much longer might they have to save for? If they have reached it will they have any money left over?
- Why do you think it might sometimes be difficult to save?

Use this activity to talk about savings accounts. We can save our money at home in a savings box but some people use an account at a bank, a building society or a credit union to help them save their money.

When our money is kept in savings accounts rather than at home, it helps prevent us from being tempted to spend it.



A higher-level activity might be to use the scenario sheets and adapt them to include charitable giving as well as spending/saving, in order to explore the idea of planning to give to charity and giving in relation to what we have.

Discussion: Teacher Guidance

Some of the cards are about both spending and saving. Can they identify these and work out how much is saved and how much is spent?



It is important to explore attitudes to spending and saving. Some children have no experience of saving even small amounts of money. Discuss why saving might be a good idea as it allows us to save up for things which are more costly. If we don't really need or want something, it is silly just to spend our money, but better to save it for a later date when we might really want to buy something.

Saving up for things we wish to buy, or in case something unexpected occurs, is a wise habit to develop. Developing a sense of waiting for something makes it special rather than an 'I want it now' attitude to life.

Using scenarios is a useful distancing technique when talking about money. Every child's experience of money will be different and some children will already have quite a lot of money to spend and save, while others may not.



This activity can be used to lead into setting up a school savings club. As part of the LifeSavers programme, schools can opt to start a savings club in partnership with their local credit union.

Five Big Questions:

How can we look after our money?

Activity:

Keeping track of our money



Financial Education Learning Themes & Outcomes:

KS1 (Age 5–7)

Keeping track of money:

- I know there are ways of keeping track of my money and what I spend and I can keep simple financial records.
- I am beginning to understand that I might run out of money if I don't keep track of it.

KS2 (Age 7–9)

Keeping records:

- I know there are different ways of keeping track of money.
- I understand why it is important to keep track of my saving and spending.

In this activity the children will begin to explore how they can keep track of their money as they make different choices with it.

Hold up a cloth bag with coins in it and shake it so that the coins clink together. Give the bag to one or two children to feel and see how heavy it is. Ask the children how much they think you have in the bag. Let them guess and write their suggestions on the white board.

What could they buy with it? Use the **What can I buy? information sheet** to show some pictures of things they could choose to buy.

- Could you buy these things? What would you choose to buy?

Of course they will only be able to guess what they might be able to afford to buy, so possible answers might be: yes, maybe, no, depends on how much money you have.

Now ask the children to help you count the money in the bag. How much do you have? Who was closest to guessing the correct amount?

Now they know how much money they have, which of the items can they actually **afford** to buy?

- What can you afford to buy, now you know how much money you have?
- Does it make it easier to know what you can afford to buy when you know how much money you have? Why do you think this is?
- Does knowing how much money you have allow you to think a little more about what you could afford to give away to help others?

Ask the children to think of some ways we may be able to keep track of our money, so we can see how much we have and what we have spent.

- How do you think you can keep track of the money you have?

Show the children a receipt - preferably one with several items on it.

- What is a receipt?
- Why is it important?
- What does it tell us?
- How can we use it to better manage our money?



Give each child a sum of money - between £6 and £12 - to spend, a **Shopping list**, and a **Price list**. The two lists provide opportunities for differentiation through the complexity of the sums of money involved and the multiplication required.

- Use the **Shopping list** you have been given and work out how much you will have to spend on each of the items. See the **Price list** for details.
- Once you have worked out what each item will cost, write a receipt for all the items you have bought and work out how much change you will have from the amount you have been given.
- Ask your partner to check their receipt. Has it been added up correctly and the correct change calculated?

Talk with the children about the advantages of knowing how much money you have and how much money you have spent. Did they all have enough money to buy everything on their list? What happens if people don't have enough money to buy something? What might they do?

Discussion:

Teacher Guidance

This activity is designed to get the children thinking about the importance of knowing about the money they have and the money they have spent.

We have to know how much money we have, in order to know what we can afford to buy.

Knowing what we have and what we have spent is a **wise** thing to keep track of and will help us manage our money more effectively.

Talk about how difficult it is to know what you can buy if you don't know how much money you have to start with. Keeping track of our money helps us to plan and make **wise** decisions.

This is about adding up what we have and what we have spent and finding ways to keep track of our money.

Ways to keep track can be counting up what they have, working out what they want to spend and how much it will cost, and keeping a record of what they have actually spent, with receipts etc.

Receipts give us a record of what we have spent and we can check our change against the receipt total. If something goes wrong with the item, we can take it back to the shop if we have the receipt.

If we don't have enough money, we have to re-prioritise. We may not buy what we want, find a cheaper alternative or, in certain circumstances, we may decide to borrow the money.



Keeping track of our money is the same when we save. Sometimes we have a passbook for an account and, when we are older, we can keep track on the internet. You could show the children an example of a passbook. If you have started, or intend to start, a savings club, this will introduce them to another way of keeping a record of what we save and spend.

Five Big Questions:

How can we look after our money?

Activity:

Saving and borrowing – why save?



Financial Education Learning Themes & Outcomes:

KS1 (Age 7–9)

Using accounts to keep money safe and to save:

- I know I can keep money in an account and can explain why I might use a bank, building society or credit union.
- I know that managing money can be complex and that using an account is one way of making it easier.

KS2 (Age 9–11)

Borrowing and saving:

- I can explain some of the risks involved in borrowing money and how unmanageable debt can make people unhappy.

In this activity the children will explore in more detail how we might behave with money and the choices we have about whether to save or spend.

Ask the children if they think they are a **spender** or a **saver**.

Discuss with the class if they think the **spenders** or **savers** will be better off in five years time. After the discussion, ask if any of the children have changed their mind about being a **spender** or a **saver**.

In groups, ask the children to write down the things they know about saving.

- Where and how can we save?
- Why might we save?
- What are the advantages and disadvantages of saving?
- Share your ideas with the rest of the class.

Sometimes it helps us to save if we use a savings account. What do the children know about savings accounts already? Show the children some bank/building society/credit union logos. Do they recognise them?

The children are going to find out about savings accounts, what they do and how they help people to manage their money.

Once you have had a conversation with the children about the different types of places we can save, you can ask them to work in pairs or in small groups using the **Do you know the difference? sorting cards**. Do they know the main difference between credit unions, banks and building societies?



You can also use the **Credit union missing word activity** to reinforce how credit unions work and the children's understanding of how they help people.

Discussion:

Teacher Guidance



This activity can also be used to lead into setting up a school savings club.

Some children may already have a savings account, others won't. Explore with the children the reasons why a savings account might be a good idea.

Talk about what options people have in the area. Are there banks, building societies, a credit union?



Using the **TEACHER FACT FILE** for your background

information, talk about where we can save our money. Introduce the names of the places we can save. Do they know about these?

Ask the children if they know of any banks, building societies and credit unions in their local area.

Five Big Questions:

How can we look after our money?

Activity:

Saving and borrowing: The advantages of saving



Financial Education Learning Themes & Outcomes:

KS2 (Age 7–9)

Using accounts to keep money safe and to save:

- I know I can keep money in an account and can explain why I might use a bank, building society or credit union.

KS2 (Age 9–11)

Borrowing and saving:

- I know that interest may be added to money if I save or borrow.

Now that the children have considered where they can save, they will look at some of the advantages of saving, including interest and how it works.

Using a saving account at a credit union or bank can help you save more effectively. Why do they think this is?

Saving money in a bank can be safer than just keeping it at home.

Saving money in a savings account can increase the money you have through **interest**.

Ask the children if they know what **interest** is?

Ask the children what they think the word **interest** means? Why might it be important to them?

Explain that **interest** is the name given to a payment made by a bank or other financial institution for the use of money deposited in a savings account. Explain in more detail what this means, e.g. if I put £10 in my savings account, the bank will pay me a little bit more money if I keep it there for a whole year.

Ask the children to write down a simple explanation of why banks pay interest and why customers want interest on their savings. They can draw a picture to show what happens. The **Why use a savings account?** sheet may help them to think about how they can do this.

- Why do you think the bank might pay interest? Why would a customer want interest?
- Write a simple explanation of **interest**.



Ask the children if they know how much interest is paid on savings. How do banks display this information to savers?

Interest rates are displayed with a percentage sign, e.g. 2%, 6%.

This shows how much interest the bank will pay per year for every pound saved. If you saved £100 at 2% you would get £2 at the end of a year.

The aim is to ensure that children realise that

the higher the percentage figure, the more interest they will receive on the money in their savings account. The higher the interest rate, the better it is for the saver.

- Using the **Calculating interest sheet**, work out what the interest would be for each example. Discuss with the children what they found out.
- How much more money would they earn on savings of £300 as compared with £100?
- What if the interest rate on £100 was double that of the rate for £300?

Ask the children to explain what happens if the interest rate is higher or lower.

- Draw a poster or write a leaflet which explains the benefits of saving and encourages people to save.

Now that the children have thought about the differences and similarities of different kinds of savings options and providers, they will put this knowledge into practice by choosing a suitable account for themselves.

Use the **Savings accounts information cards** and **Comparison sheet**, or a range of bank leaflets etc., and the internet.

- In a group, discuss how you think a savings account works and how it might help you to save.
- What might you want to know about a savings account before you open one?
- Look at the **Savings accounts information cards** to help you think about the sorts of things you might need to know before you open an account.
- Use the **Comparison sheet** to identify the differences between the accounts.
- Which one do you think is the best?
- Share your ideas as a class.

Discussion:

Teacher Guidance



You can use this as an opportunity to discuss the value of starting a savings club in school.

Before you start, you may want to return to the ideas explored in Activity: Respecting the things we all have: borrowing and lending (1 of 2). There, the children consider the importance of behaving responsibly towards the things we borrow from others and how this still applies if we borrow money.

Five Big Questions:

How can we look after our money?

Activity:

Saving and borrowing – what is borrowing?



Discussion:

Teacher Guidance

Explore the reasons people might need to borrow money. Reinforce the idea of saving as a way of being prepared for the unexpected and an alternative to borrowing.

Financial Education Learning Themes & Outcomes:

KS2 (Age 7–9)

Lending and borrowing:

- I know that if you don't have enough money you can borrow, but that you have to pay it back.
- I can explain why you might want to borrow money and how this might make you feel.

KS2 (Age 9–11)

Borrowing and saving:

- I know that interest may be added to money when I save or borrow.
- I can explain some of the risks involved in borrowing money and how unmanageable debt can make people unhappy.

Start by saying to the children that sometimes we need to borrow money.

What do we mean by borrowing?

Are there other words that mean the same as borrowing. Here you can introduce the word **loan**.

- Why do you think some people might borrow money?
- Because they want something and don't have enough money?
- Because they have an emergency and they need to pay for something?
- Because something costs a lot of money and they don't have enough?
- Because they have not saved money so need to borrow to buy the things they need or want?
- In what ways can we borrow money?

Have a brief discussion with the children about the ways we might borrow money. Some ideas are listed below.

- Taking a loan from the bank, building society or credit union
- Using a debit card when you pay for something in a shop
- Using a credit card to pay for something in a shop
- Using coins or notes to pay for something you want to buy
- Asking a friend to let you have some money

- Using money you have taken from your savings account
- Using money you have taken from your money box
- Taking money from someone you don't know very well who has offered it to you
- Getting a mortgage to buy a house to live in
- Asking someone in your family to give you some money for something you want
- Using a store card to pay for something
- Getting a loan to buy a car

Debrief this activity by asking the children if they think the types of borrowing they have identified are the same or different. You can then move on to the next activity which explores the potential risks and costs of borrowing, both financial and personal.

Five Big Questions:

How can we look after our money?

Activity:

Saving and borrowing – The cost of borrowing



Financial Education Learning Themes & Outcomes:

KS1 (Age 7–9)

Lending and borrowing:

- I know that if you don't have enough money you can borrow, but that you have to pay it back.

KS2 (Age 9–11)

Borrowing and saving:

- I know that interest may be added to money when I save or borrow.
- I can explain some of the risks involved in borrowing money and how unmanageable debt can make people unhappy.
- I understand it is important to consider the risks and potential consequences before borrowing money, including the impact on my feelings and those of others.

First introduce the idea of interest when we borrow and also the other potential 'costs' of borrowing – in other words, the risks that may come with certain types of borrowing.

First of all, remind the children about the word **interest**. Do they remember what this means in relation to saving? When we save, we **earn** interest on the money we have in our account.

When we borrow money, we have to **pay** interest on the amount we borrow to those who have lent us the money. When we save, the interest rate is called AER; when we borrow, the interest rate is called APR.

- Using the internet, bank leaflets and adverts, investigate the amount of interest we would pay if we borrowed £1000 for 12 months.
- What are the cheapest and the most expensive rates you found?
- How much more would the more expensive rate cost compared to the cheapest rate?
- What would the monthly repayments be?
- Do you think borrowing is a good idea?
- What are the advantages and disadvantages?

Use outcomes from the previous activity on types of borrowing to explore the idea that not all debt is bad. You could use the mortgage example. If the mortgage repayments are manageable, this can be considered a good debt as you will eventually own your own home whereas with renting you won't.

You can then ask pupils to divide the types of borrowing they have identified into **good and bad debt**.

- Does it depend on people's personal circumstances?
- Are some debts always bad?

Finally, to reinforce what they have learned, ask the children to imagine a friend has told them that they are unsure about whether to save up for something or borrow some money.

- Send an email to your friend giving some advice about saving and what they might need to think about if they borrow.



Some children will probably be very aware of payday loan companies through advertising. You could extend this activity by asking some children to do some research about different types of borrowing and what kind of impact this may have on people.

Some pupils may be able to go further and look at how the cost of borrowing may differ, depending on which kind of financial institution is lending.

Discussion:

Teacher Guidance

This could also be a homework activity if there is not enough time to do it in the classroom.

It is important here to emphasise the need to take responsibility for the decisions we make and that we must always ensure we show respect for others whether we have borrowed their possessions or their money.

This is an opportunity to raise awareness of buying for instant gratification compared to saving and waiting. Borrowing costs more but you have to wait if you save.

Five Big Questions:

LifeSavers Core Values

Generosity

Generosity is the desire to share what we have with others – our time and talents, as well as our money and possessions.

Principle	Christian belief
Generosity is a way to show that we are thankful for all the good things that we have.	For Christians, generosity is a response to all that God has done for us, above all for his sacrifice on the cross.
Being generous makes us better people, as well as benefiting others.	Christians believe that we honour God when we are generous to others.
It is good to plan what we give to others, rather than giving from what is left over once we have looked after our own needs and wants.	For Christians, tithing or planned giving is an offering to God, and a recognition that all that we have ultimately belongs to Him.
True generosity comes from a desire to help others, not to impress them or win their praise.	Christians believe that giving quietly and without showing off is pleasing to God.
True generosity is when we give because we want to, not just because we feel we ought to.	Christians are encouraged to give cheerfully, not grudgingly.

Wisdom

Wisdom is a proper understanding of the consequences of our thoughts, words and actions, and an awareness of the true value of things.

Principle	Christian belief
Contentment is not found in accumulating more money and possessions.	Christians are warned that greed makes us forget about God and blinds us to other people's needs.
Foolishness – the opposite of wisdom – is putting our trust in the wrong things, like wealth and fame.	Christians believe that our needs are only truly satisfied through relationship with God.
A wise person knows that the really important things in life, like family and friends, cannot be bought with money.	Christians are encouraged to value what is eternal, as opposed to things that are here today and gone tomorrow.
Wise people make the most of what they have - their unique talents and abilities, as well as money and possessions.	Christians are encouraged to use their money and talents in service of God and one another.
Wise people prepare for the future and for the unexpected by, for example, saving and investing their money wisely.	Christians are encouraged to use their money wisely, so that they can help others as well as look after themselves.

Five Big Questions:

LifeSavers Core Values

Thankfulness

Thankfulness is an attitude of heart, acknowledging and enjoying all the good things that we have been given.

Principle	Christian belief
Giving to others is a practical way to show that we are thankful for what we have.	For Christians, the giving of money and time is a practical expression of thanksgiving to God.
It is better to count our blessings than moan or worry about our difficulties.	Christians are encouraged to be thankful in all circumstances, though not for all circumstances.
It is important to say 'thank you' when someone is kind or generous to us.	Christians are encouraged to thank others and to thank God through prayer, worship and action.
Envy – or wanting what others have – makes us unhappy and stops us being thankful for what we do have.	'Do not envy' or 'covet' is one of the ten commandments that Christians seek to follow.
Enjoying the beauty of the world around us is good reason to be thankful and to care for our environment.	Seeing the world as a gift from God helps Christians to be thankful and encourages us to care for the environment.

Justice

Justice is ensuring that all people, especially the poor and oppressed, receive what is fair and right - life, freedom, dignity, and a decent standard of living for the society in which they live.

Principle	Christian belief
Justice includes being fair and honest in our dealings with money.	Christians believe that God is hurt when we deliberately mislead or exploit others.
Justice is about sharing what we have more fairly, both individually and collectively.	Christians believe that God is unhappy when some people have very little, while others have more than enough.
Justice means treating everyone with respect and dignity, regardless of how rich, clever or good-looking they are.	Christians believe it is wrong to show favouritism, because all people are equally loved and valued by God.
Justice means having a particular concern for those who are poor or disadvantaged.	Christians believe that, whenever we help someone who is poor, homeless, or sick, it is as if we are helping Jesus.
Justice includes making sure that people are paid a fair price for their work, so they can support themselves and their families.	Christians are encouraged to challenge economic injustice and consider how their financial choices have an impact on others.

Five Big Questions:

Notes

LifeSavers

Helping children manage money wisely

LifeSavers supports schools in setting up savings clubs and helps children and their families learn about money. A partnership between the Archbishop of Canterbury's Just Finance Foundation and Young Enterprise, it is being extended to 120 primary schools over three years, with financial support from Virgin Money. Additional funding from the Government will be used to share the resources and learning with other schools through a LifeSavers website.



Young Enterprise is the UK's leading charity that empowers young people to harness their personal and business skills. We work directly with young people, their teachers and parents, businesses and influencers to build a successful and sustainable future for all young people and society at large.

JUST FINANCE FOUNDATION

The **Just Finance Foundation** was established by the Church of England and Church Urban Fund to develop and implement the Archbishop of Canterbury's vision of a fairer and more just financial system. We work with credit unions, churches, schools and other local organisations to strengthen the financial resilience of communities through financial education and improved access to responsible credit and saving and free debt advice services.



free expert advice for anyone teaching young people about money
email: ask@pfeg.org call: 0300 6660 127 tweet: @pfeg_org using #ASKpfeg

LifeSavers

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