



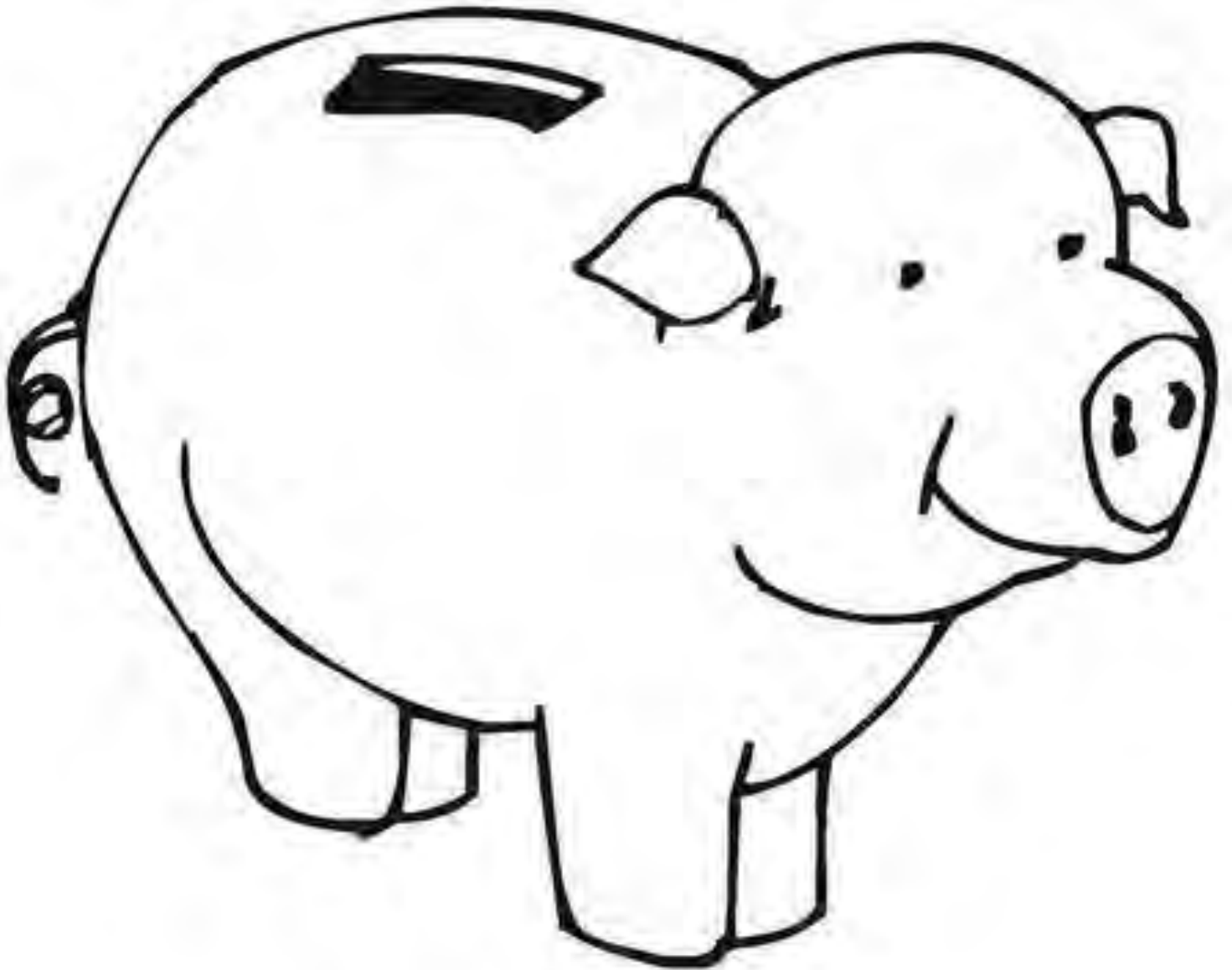
Teaching Children About Money

FUN ACTIVITIES AND ARTICLES
INSIDE!!



Wiesbaden ACS
DSN: 314-548-9201
Commercial: 0611 143 548-9201/9202

Name _____



Clink, Clank! Clink, Clank!
How much money is in my bank?

Name _____

Can you match the front and back of the coin to the correct amount?

1¢

5¢

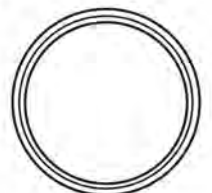
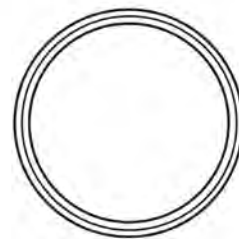
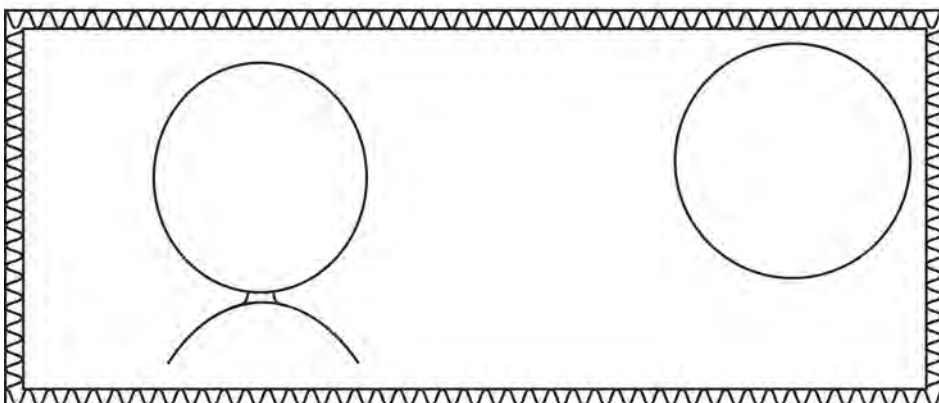
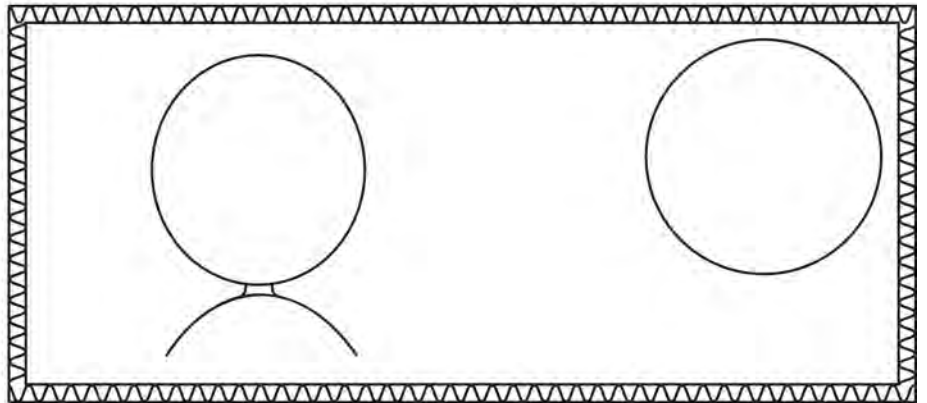
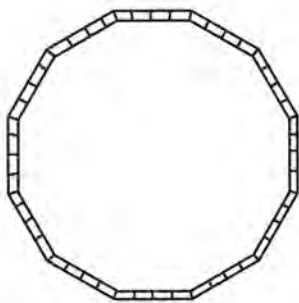
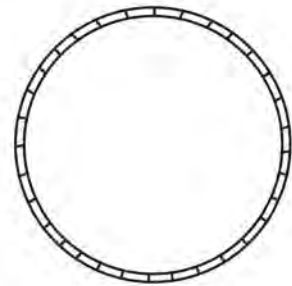
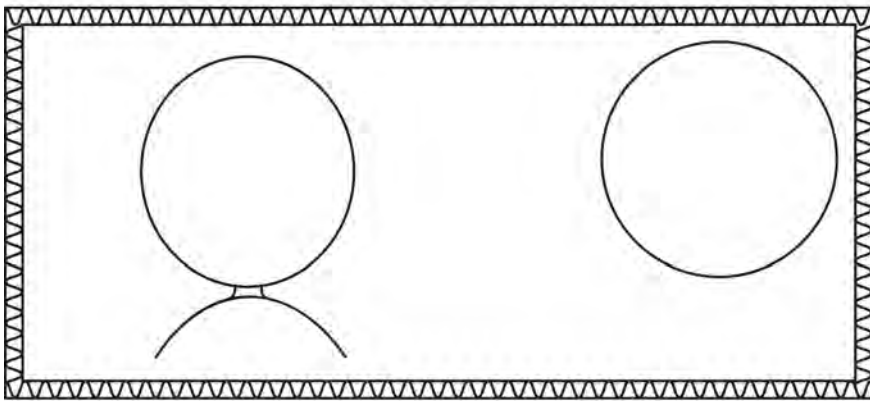
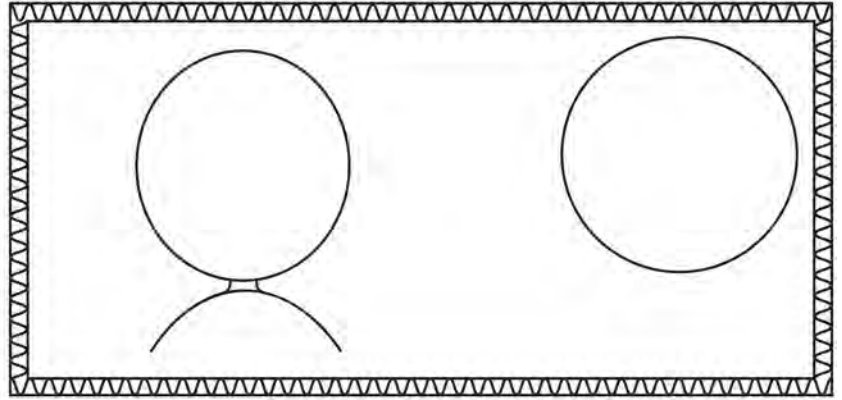
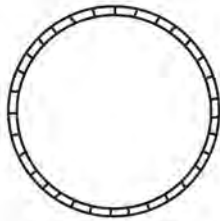
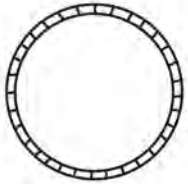
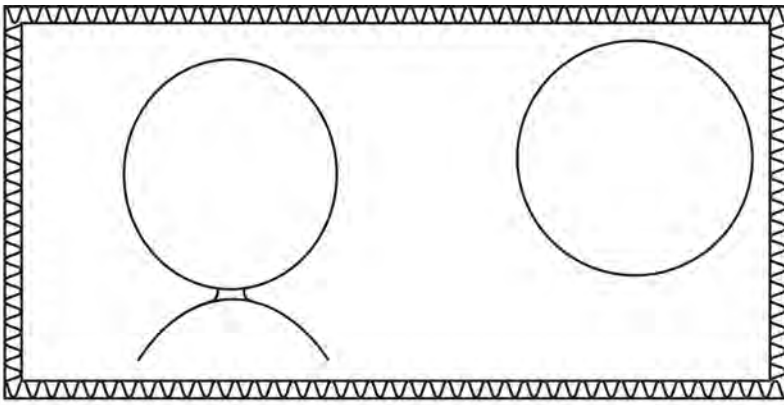
10¢

25¢

100¢



DESIGN YOUR OWN PLAY MONEY





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Money Match

Match the name of the currency with the correct location where it is used.

Dollar Mexico

Euro United States

Peso England

Pound Japan

Real Europe

Yen Brazil

Lesson

- All the coins and bills in the U.S. are created, or “minted,” by the Treasury of the federal government. The Treasury carefully controls how many dollars and coins are distributed.
- Individuals receive money in exchange for their work. This is known as earnings or income. People sometimes receive money as gifts, but usually they have to earn it by working for it.

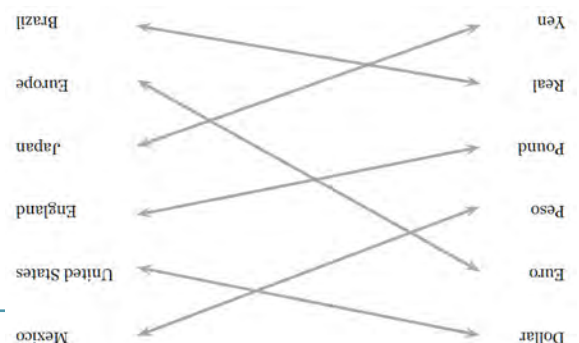
Activity 2: The Money Cycle—Lower

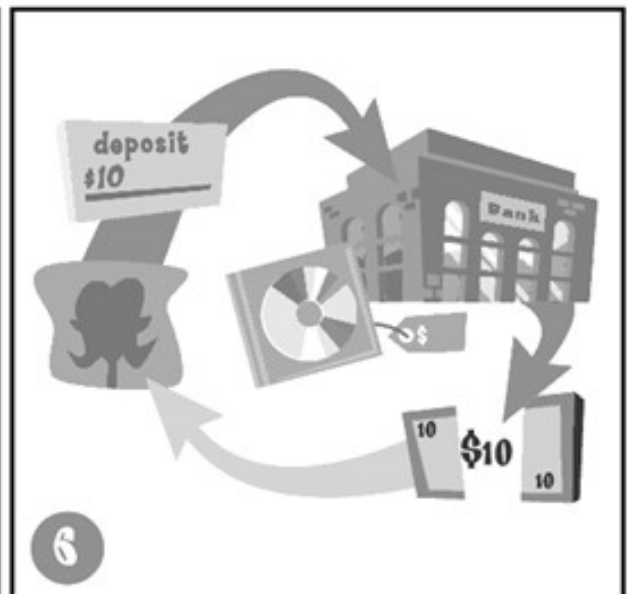
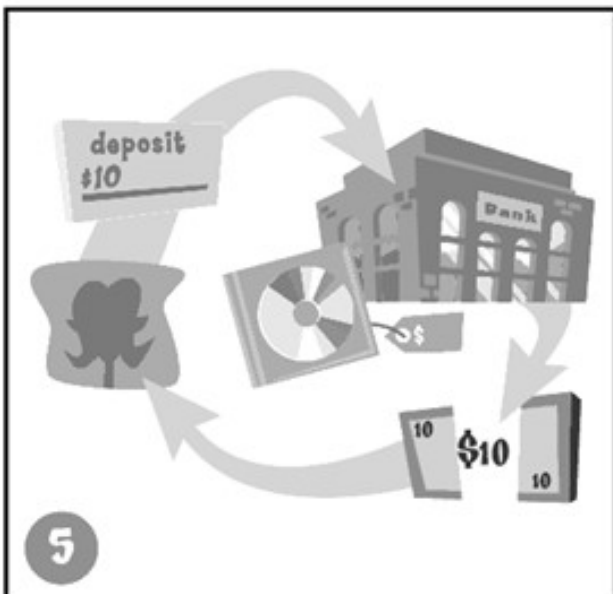
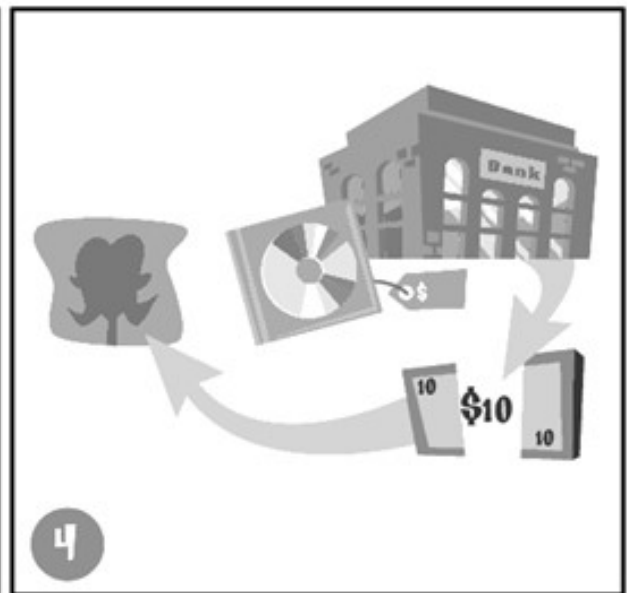
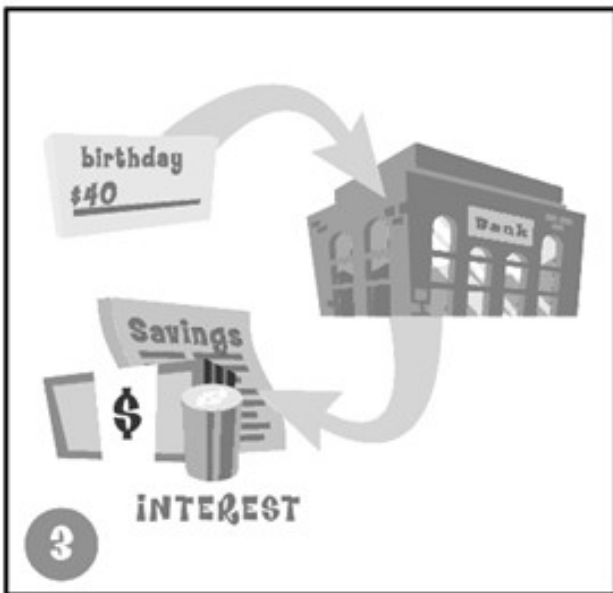
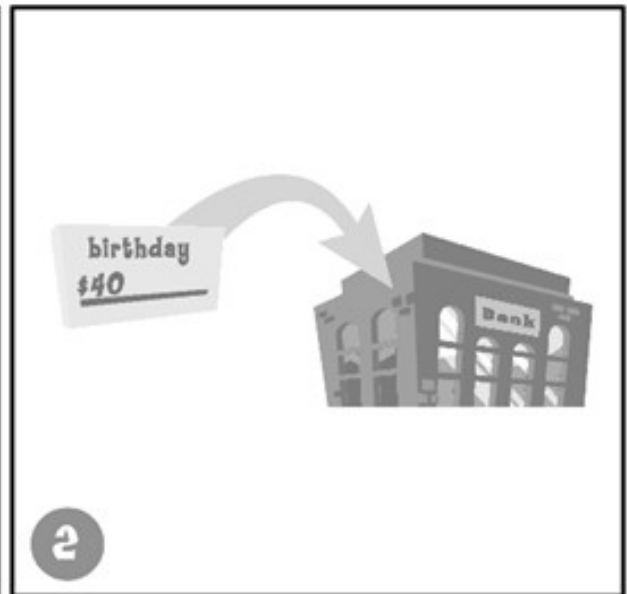
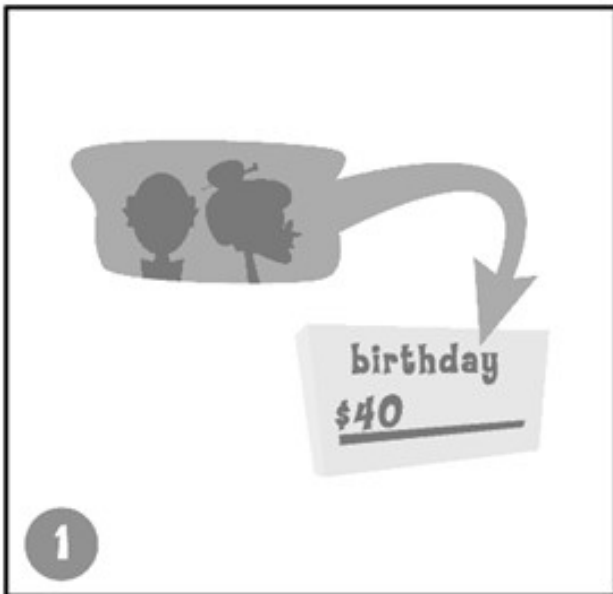
- Write 3 things you would like to do or to have.
- Next to each item, explain a way you could use that item or do that activity without spending money.

Activity 2: The Money Cycle—Intermediate

Introduce students to the money cycle in the diagram on the following page. Use the examples below to discuss how money flows from hand to hand:

- First, pretend that your grandparents give you \$40 for your birthday. You don't want to lose it, so you take it to your bank and deposit it into your savings account. The bank is now paying you interest—so you're earning money!
- Now, imagine that two months later your favorite game goes on sale. You go to the bank and withdraw \$10 cash from your savings account, and then you go buy the game. Now your \$10 is in the hands of the store owner, who deposits the money in her bank account.
- So you see? The money has moved circularly, from hand to hand, first to the bank and then back again! As you can see from the diagram, money can be saved and spent—and over time, it's always changing hands.







Earnings Worksheet

	Job	Description	Estimated Earnings
1			
2			
3			
4			
5			
6			
7			

Earning Power Worksheet



1. If you wanted to earn some money, which of these jobs would you want to do? Why?
2. If you wanted to start a small business doing this, when would you work?
3. What would your flyers look like?
4. What other jobs could you do to earn money?
5. If Zing wants to wash cars to earn gas money, how many cars must he wash to make at least \$26?
6. If Zing finds a \$5.00 bill, and he washes a car and babysits 2 times, how much money will Zing now have?

Earning Power Worksheet (Instructor's Copy)



Questions 1 through 4 are free response: The goal is to get participants thinking about the skills and interests they have that might be marketable.

5. If Zing wants to wash cars to earn gas money, how many cars must he wash to make at least \$26? **(4)**

Hints:

- *You can add, subtract, multiply or divide to solve this problem!*
- *If you add, add $\$7.50 + \$7.50 + \$7.50$ as many times as you need to until you reach \$26, or just exceed \$26. Keep track of how many times you add \$7.50 to reach \$26.*
- *If you subtract, subtract \$7.50 from \$26 until you can't subtract anymore, and count the number of times you subtracted.*
- *If you multiply, see what number times \$7.50 will equal or just exceed \$26.*
- *If you divide, divide \$26 by \$7.50.*

6. If Zing finds a \$5.00 bill, and he washes a car and babysits 2 times, how much money will Zing now have? **(\$22.50)**

Hints:

- *How much will Zing earn if he babysits 2 times? ($\$5.00 + \5.00)*
- *Add that amount to the \$5.00 bill Zing found.*
- *Now add \$7.50 to the new total, because Zing receives \$7.50 for washing a car.*

Lesson 4: Understanding Needs and Wants

Lesson Objectives

- Discuss needs, wants, and priorities.
- Distinguish between items and articulate whether it is a need or want

Introduction and Opening Questions

This lesson will provide an opportunity for students to determine and discuss needs and wants.

- Introduce the lesson by asking the children to define need, want, and value.
- Ask the children to share examples of a need and a want. Children will likely disagree with some examples presented. Remind them that they don't have to agree, there are no right or wrong answers. Think of differences of opinion as an opportunity to talk about individual values and preferences as well as the item and discuss what/why they think about the item.

Key Points

- A need is something that we require to live
- A want is a desire or thing we enjoy/like – that makes life more enjoyable
- Our values help us judge items as needs or wants
- Distinguishing between needs and wants help us to identify our priorities
- While there will always be something we want, there are many things we already have and several free things that we strongly value

Materials

Blue painters or masking tape

Chart or large paper

Writing utensils (pens/pencils)

Markers/highlighters (yellow, green, blue)

Paper

List of needs and wants

Needs and Wants worksheet

Activities

Activity 1: Jump the Line (Individual)

- Create a long line/continuum, separating the room, by applying painters or masking tape to the floor. The line should be long enough for all participants to stand on at once.
- Place a sign on either side of the line or wall; one sign should read **Need**. The opposite side should read **Want**.
- Ask children to stand on the line. As you read an item from the *List of Needs and Wants* on the next page (or from your own developed list), children should determine whether the item is a need or want. Once they decide, they should jump from the line to the appropriate side towards need or want. Over time you may want to modify this list, consider adding things you often hear participants discussing.
- Ask the children to jump to the needs or wants side based on whether they think the item is a need or want. If they are unsure or think it might be both, they can remain on the line.
- If you see that the children disagree about a particular item, take a moment to ask why one believes it is a need, want, or might be both. Try to get different opinions and stimulate a conversation.
- Continue play until you read all items from the list
- Once complete, ask students about the experience. Were they surprised which items most agreed upon or disagreed with?
 - Ask whether they changed their minds after hearing comments from others?

List of Needs and Wants

Food	Paper	Toothbrush	Ice cream	Mountains
Sofa	Cable TV	Internet	Trash cans	Popcorn
Movies	Pizza	Fresh air	Green grass	Chocolate
Backpack	Rain	Money	Warm socks	Shelter
Light source	Blankets	Bed	Transportation	Education
Coffee	Clothing	Boots	Snow	Piano
Iphone	Pencil	Computer	Hugs	Rivers
Vegetables	Music	Phone case	Love	Pet Food
Medicine	Eyeglasses	Soccer	Friendship	New jeans
Home	Dog	Fish	Savings account	College savings

Activity 2: My Needs and Wants (Individual)

- Ask the children to list their personal needs and wants on a piece of paper.
- After they draft the list, ask the children to divide their lists in to categories using different color markers or highlighters:
 - a. Highlight in yellow if they don't have item but would like to buy/get it (e.g. new video game).
 - b. Highlight in green if they currently have the item (e.g. book, pet).
 - c. Highlight free items in blue (e.g. air, hugs, love).
- Facilitate a discussion between the students about items that others may also list. For example, ask what items were colored blue, indicating free.
 - Was there an item on your list that you said was a need, but someone else thought it was a want? Why?

Wants

Needs



A public service
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Lesson Summary/Closure

- Our values help us judge items as needs or wants.
- Distinguishing between needs and wants help us to identify our priorities.
- While there will always be something we want, there are many things we already have and several free things that we strongly value.

Activity 1: Shopping With a Budget

Imagine that you've saved what you can from your allowance for a long time. Now it's time to go shopping at the mall! Let's say you've budgeted \$100 to spend. You've also made a list of what you'd like to buy. Keeping your budget in mind, buy what you like—and as many of the items as you like! If your merchandise costs more than \$100, you'll have to choose which items to return so that you'll stick to your budget.



Shirt
\$12



Scooter
\$45



Headphones
\$38



Sweatshirt
\$16



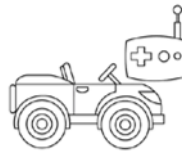
Book
\$7



Athletic Shoes
\$50



Backpack
\$19



Toy
\$17



Video Game
\$29

1. Create a couple shopping lists that will come close to \$100 without going over \$100.
2. Would having a plan or list before you go to the store be helpful? Why or why not?

Activity 1: Shopping With a Budget (Instructor's Copy)

Imagine that you've saved what you can from your allowance for a long time. Now it's time to go shopping at the mall! Let's say you've budgeted \$100 to spend. You've also made a list of what you'd like to buy. Keeping your budget in mind, buy what you like—and as many of the items as you like! If your merchandise costs more than \$100, you'll have to choose which items to return so that you'll stick to your budget.



Shirt
\$12



Scooter
\$45



Headphones
\$38



Sweatshirt
\$16



Book
\$7



Athletic Shoes
\$50



Backpack
\$19



Toy
\$17



Video Game
\$29

- Create a couple shopping lists that will come close to \$100 without going over \$100.
 - Scooter and 2 shirts* ($\$45 + \$12 + \$12 = \69).
 - Scooter and 1 pair of athletic shoes* ($\$45 + \$50 = \$95$)
 - Scooter and 1 headphones* ($\$45 + \$38 = \$83$)
 - 1 pair of athletic shoes, 1 video game, 2 books* ($\$50 + \$29 + \$7 + \$7 = \$93$)
- Would having a plan or list before you go to the store be helpful? Why or why not?
 - Help to stay in budget*

Activity 2: Jump the Line

- Create a long line/continuum, separating the room, by applying painters or masking tape to the floor. The line should be long enough for all participants to stand on at once.
- Place a sign on either side of the line or wall; one sign should read **True**. The opposite side should read **False**.
- Ask children to stand on the line. As you read a phrase or statement about budgeting, children should determine whether the statement is true or false. Once they decide, they should jump from the line to the appropriate side towards true or false.
- Ask the children to jump to the true or false side once they hear the entire statement. If they are unsure or think it might be both, they can remain on the line.
- If you see that the children disagree about a particular item, take a moment to ask why one believes it is true versus false, or might be both. Try to get different opinions and stimulate a conversation.
- Continue play until you read all statements from the list.
- Once complete, ask students about the experience. Were they surprised which items most agreed upon or disagreed with?
 - a. Ask whether they changed their minds after hearing comments from others?



List of Statements:

1. Budgeting or creating a spending plan is a good way to manage your money. (T)
2. Creating a budget is easy. (T or F)
3. Budgeting is free money. (F)
4. A budget or spending plan is something that you have control over. (T)
5. Each person's needs and wants are a little different, so it is important to create a budget that makes sense to you. (T)
6. Late fees are always charged when you use a budget. (F)
7. A written plan helps you think about how you will spend your money. (T)
8. A budget can help you identify items that cost too much and to prepare for future expenses. (T)
9. A personal budget includes your credit score. (F)
10. Having a shopping list can sometimes be a bad thing. (T)
11. A spending plan can help you determine the most important things to buy and help you identify the approximate cost. (T)
12. If you only have \$50 to purchase school clothes, a spending plan will help you find coupons. (F)
13. A spending plan will help you borrow money from a bank. (T or F)
14. Not using a budget or spending plan is a serious thing. (T or F)
15. Budgets are personal plans for spending and saving income. (T)

Lesson 6: Saving and Me

Lesson Objectives

- Recognize the services banks provide and how to use these institutions and their services more effectively
- *The mathematical objective* of this unit is for students to compute the sum or difference of whole numbers and positive decimals to two places.

Opening Questions

Use these or similar questions to start participants thinking about this concept and how it relates to them:

- Are you saving money for something you want or need? Describe how you are managing to save money.
- In your opinion, what's the best thing about saving your money?
- Why would you recommend opening a savings account to someone who doesn't have one yet?
- Let's say you have some money in a savings account, and you want to take some of the money out. Where would you go to do that, and what would you have to do?
- Even though the purpose of the account is to save money, why might it be necessary to withdraw money from a savings account?
- What do the initials "ATM" stand for, and what's the purpose of an ATM? What banking transactions can people do at an ATM?
- What do we mean when we say we're "keeping track" of something? Are there things you keep track of? How do you do it?
- If you open a savings account, and start putting money in and taking money out, who's going to keep track of how much you have in the account?
- How will you be sure the bank records for your savings account are correct?

Key Points

- Saving means putting money aside for a future use. Banks and other financial institutions offer incentives for people to keep their savings in savings accounts. These incentives are referred to as "earning interest."

- The amount of interest people will earn depends on the type of savings account they have, which financial institution has the account, and how long they keep their money in the account.
- If you want to be a better saver, try this: Pay yourself first. In other words, whenever you receive money, put some of it into your savings account right away. That's the best way to be sure you won't spend it on things you don't really want or need.
- There are many different savings accounts available, so do some research to determine which account is best for you.
- Each person's needs and wants are a little different, so create a budget that makes sense for you.
- You can withdraw money from a savings account by seeing a teller at the bank or by using an ATM.
- If you withdraw money at a teller's window, you'll need to show a piece of photo ID.
- In order to use an ATM, you need to apply at the bank. The bank will issue you an ATM card and a Personal Identification Number, or PIN. Your PIN is a secret code that only you should know. (If someone else knows your PIN, they might be able to take money out of your account!) Never tell anyone or write down your PIN.
- At an ATM, withdrawals are usually in increments of \$20. Deposits can be in any amount.
- Because ATMs issue cash, always be alert and aware of people around you when using an ATM.
- Relate what students have learned about managing their money in the Budgeting unit to withdrawing money from a savings account. When might it be necessary to withdraw money from a savings account?
- As part of the service they provide, banks keep track of their customers' savings accounts. However, it is the account holder's responsibility to also keep track of all the transactions on the account.
- When you open a savings account, the bank provides you with a savings account register to track your deposits and withdrawals.
- It's important for students to use their savings account registers, and to make careful, accurate calculations.
- Part of good money management is keeping careful records of deposits and withdrawals from bank accounts.

My Savings Goals (Lower)

Draw pictures of three things you want to save for.

How do you know how much money is in your account?

Where do you save your money? Draw a picture of where you save your money (piggy bank, drawer, bank account, etc.).

Activity 1 (Intermediate)

To put money in your savings account at the bank, you fill out a deposit slip. A deposit slip is a form used to record the details of the transaction. Once you've filled out the deposit slip, you give it to the bank teller, who will take care of the rest. You're done!

Students use the following worksheet to practice filling in a savings deposit slip.

Savings Deposit Worksheet

A deposit slip is a form you complete to put money in your account. Let's fill one out right now to put \$25 in a practice account.

- Write today's date in the space marked "A."
- Write your account number on the line marked "B." (Since this is just for practice, you'll need to create your own account number.)
- If you are depositing cash, put the total amount in the box marked "C."
- If you're depositing checks, enter the check amounts in the space marked "D."
- Then add up everything and enter the total at the bottom in the space marked "E."

Deposit: (Check one) <input type="checkbox"/> Checking <input type="checkbox"/> Savings		Date																					
Checking or savings account number		Cash																					
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"Mommy, Can I Buy My Lunch Today? Math Money Games for Preschool

📅 March 27, 2014 (<https://nateandrachael.com/math-money-games-preschool/>) 👤 Rachael (<https://nateandrachael.com/author/rachael/>)

Our three-year-old loves to pretend to shop. She'll often get out her shopping cart, purse, coins, and even a (voided) credit card, and ask, "Mommy, will you play grocery store with me and check me out?"

Since she's just three (well, technically three and a half), I haven't worried too much about making sure she's getting the academic basics that I'm sure would be covered in a formal preschool. (We're homeschooling (<https://nateandrachael.com/preschool-curriculum-and-homeschool-co-op-schedule/>), for now). But since she's so interested in coins, bills, and money, I wanted to capitalize on this interest.

So I decided to set up a little restaurant for my daughter.

Math is Fun! Math Money Games for Preschoolers

Affiliate links included where appropriate.

We started by raiding her piggy bank. In addition to the usual pennies, nickels, dimes, and quarters, we also found a few half dollar coins, and two dollar coins. The six types of coins fit nicely in these plastic serving trays.

The three-year-old sorted each of the coins into her serving tray, and then I added index card labels to help with identification.



(https://nateandrachael.com/wp-content/uploads/2014/03/IMG_365412.jpg)

The first day we tried this, we had egg salad sandwiches, blackberries, pretzels, and hummus. Our little one LOVED paying for each and every blackberry!

Side note: prices change quickly at our house, so buy fast! I originally listed blackberries for one penny a piece, but when that menu needed a re-do, I changed the price to a more true-to-life price of one nickel each.

When my kiddo ran out of one type of coin (e.g. she had no more dollar coins, and she wanted to buy a \$1 glass of milk), she had to figure out how to combine coins to reach the total she needed. Had I just sat her down at the dining room table and drilled her with info about the different values of coins, I guarantee we would have ended up with an epic power struggle, a tired mama, and a frustrated kid.

But she was determined to find the right combination of coins so she could buy her lunch. No fussing, no reluctance, no power struggles. Pretend play for the win!

Now every day around lunch time I hear, "Mommy, can I buy my lunch today?"

Sure, kiddo! Today lunch is on you. ^^



(https://nateandrachael.com/wp-content/uploads/2014/03/IMG_36101url.jpg) <https://nateandrachael.com/>

[math-money-games-preschool/](https://nateandrachael.com/math-money-games-preschool/)



You are here: [Home](#) / [Kids Activities \(by Age\)](#) / [Elementary Activities](#) / [Magic Tricks for Kids: Money Roll Over](#)

MAGIC TRICKS FOR KIDS: MONEY ROLL OVER



Magic tricks are fun for everyone. Kids especially love trying to play magic tricks on others.

Unfortunately, many magic tricks require quick reflexes, palming of cards, or sleight of hand which are hard for little ones to master.

But there are some easy magic tricks out there even young children can perform. This Money Roll

Over trick is the perfect example of this! It is super easy to do and no fancy moves are required.

You'll need 2 bills of different denominations. My son started with a \$10 bill which he placed on the table right in front of him.



4
SHARES



Next, he placed the other bill perpendicular to the first bill. He made sure to line up the side of the top bill with the bottom of the first bill.



Get Notifications

Then starting from the bottom, he rolled the two bills up. This may actually be the trickiest part of the whole magic trick!



4
SHARES



ABRACADABRA and poof!

He unrolled the bills and *magically* the two bills had switched positions in the roll over with the fir bill being on top of the second bill!

Get Notifications



How in the world did that happen? There is really no magic to this trick at all which is what makes it so wonderful for little kids. Try it out for yourself a few

Money Song

Penny, penny,
Easily spent
Copper, brown,
And worth one cent.



Nickel, nickel,
Thick and fat
You're worth five cents.
I know that!



Dime, dime,
Little and thin
I remember
You're worth ten.



Quarter, quarter,
Big and bold
You're worth
Twenty-five, I'm told.



Name _____

Date _____

Money

Find the value of each group of coins.

1.  _____

2.  _____

3.  _____

4.  _____

5.  _____

Teaching Kids About Money In 8 Simple Steps

By Rachel June 7, 2018

When I was a child, my family was poorish. Straight poor might be a bit too much, but we didn't have a lot of money and there was never any extra. I wasn't in any activities outside school because we couldn't afford it, we lived with my grandmother on and off until I was 5 and when we finally moved into an apartment of our own it was a huge deal for me to pick out a brand new, yellow lamp at the store.



8 WAYS TO TEACH 8 YOUNG KIDS about money



With all that, the only lesson I ever really heard repeated was that money doesn't grow on trees. There wasn't a lot of context around what that actually meant.

When I met my husband, I learned that he came from a completely different world of finance. His parents were thrifty and to this day they have pieces of furniture that are older than both of us. They never took extravagant vacations and my husband grew up with the message that you don't really need to spend much money in life.

When we had children, I hoped we would find a middle ground – somewhere between never spending and let's have fun because you can't take it with you.

However, we all know that saving for big financial goals can be challenging. Walking that line can feel overwhelming. For kids, saving for their personal "big" goals can feel the same way. Country Financial helped by showing us that taking simple steps can lead to big leaps. You can apply the same ideas to kids.

Here are a few simple ways we are working to teach our kids the value of a dollar and how to save, even at their young ages (almost 6 and almost 3).



Counting

This may sound too simplistic but if you think about it, counting will be the basis for them learning money. My daughter is learning that 100 comes after 50. That 60 is bigger than 30 and that numbers are more than just ages. Making sure they understand basic order of numbers at a young age will help them understand that some things cost more than others and sometimes you don't have the money to buy those expensive things. This most basic concept will lead them to better money-making decisions throughout their lives.

Give them an allowance

I've seen articles that tell you not to give your kids an allowance but to instead give them a commission. Let's just agree we're splitting hairs here. There's no reason that your kids shouldn't earn a weekly allowance for helping out with specific chores around the house. Maybe there are some things you just expect of them like putting their dishes in the dishwasher or letting the dog outside. However, there are always some additional chores they would be more willing to help out with if they had more incentive, like helping to sweep, vacuum or dust.

You can make this sort of a game if you want and assign different amounts of money to each chore. Harder chores get more money. Chores that are a daily occurrence (think making your bed) get less money. [Click here to see a cute example.](#)

Make them spend their allowance

If you're going to the store, and they want to go too because there are toys at the store, make them bring their own money. My daughter will often want to go shopping with me because she knows the store has a toy aisle. I know that I don't want to listen to her whining about toys when we are there. So, if she wants a toy, she will have to spend some of her own money. If she didn't bring her money, then she needs to pay me back when we get home.

This isn't something that happens each and every time. Sometimes we have a talk before we enter a store and I let her know we will not be buying any toys that day because neither of us have the money for them.

Use cash

Because cash is almost a non-existent commodity now, kids don't see it often enough. For a long time, my daughter thought that cards were cash because I almost never use it. However, using cash will allow them to see it's not an endless pot at the end of the rainbow. The cash always runs out and that's when you can't buy anymore. It's a hard lesson to learn for anyone, let alone a kid, but a good one to help them understand the ideas behind budgeting.



That said...

Use cards

I know these two ideas are a direct contradiction but showing kids how credit cards and gift cards function as money is important too. After all, that's the way the world is headed.

Using a card all the time can make kids believe the pot is endless so letting them practice with their own cards is a good idea. Put their allowance on a pre-paid credit card or a gift card and help them to understand there is still a limit to spending when they swipe.

This is especially good for older elementary school students, but even children as young as 4 can understand the card is worthless at some point.

Create Save, Spend, Give jars

Instead of letting them use all their money on toys, make them split it up to help them understand budgeting. A portion of their allowance each week needs to go to savings, a portion can go towards their spending and a smaller portion can go towards donating. Let them do this for a month or two to see how much money they can accumulate in the Save jar versus the Spend jar.

Every six months or so, or maybe just at the holidays, have them donate the money in the Give jar or use it for a cause they think is important. During the holidays they can use that money to buy toys for a toy drive, food for food drives or just donate it to church.

Kids are never too young to learn to give to others. This past year there was a toy drive at my daughter's school and she found a toy still in its packaging (Santa forgot about it the year before.) and donated it. She did it all on her own and it was so sweet to watch her tell us about the toy drive and how it was going to help other kids. Even though she didn't use funds from a Give jar for it, she still understood the notion behind it and that's the more important lesson behind the Give jar.

You can easily make these out of mason jars, old coffee tins, shoes boxes or anything else that can hold coins and dollars. Find out what you need in this post here.



Play money games with them

Country Financial prepared us for the big challenges of tomorrow and a fun way to help prep your kids is to play money games. Not only are the games fun for them but they also encourage kids to ask questions about money. Grab Monopoly Junior, Game of Life, Payday, Moneywise Kids and others to teach your children about different facets of using money. Order (or make) pizza and make a family game night out of it so these lessons have a happy place in their childhood memories.



Visit our printables section to find some very elementary money games for prek and young elementary school kids. And for more simple steps to help you achieve your financial goals, visit Country Financial.



Teaching Kids the Value of Money

By Pamela Kramer

www.parents.com

Young children need to learn that money doesn't grow on trees -- or get freely dispensed from ATMs. Here's how to teach them the value of a dollar.

Five- and 6-year-olds are starting to develop the cognitive skills necessary to understand basic monetary concepts, such as identifying coins, figuring out how to count change, and matching small amounts of money to items they want to buy.

Aside from acquainting kids with the basics of economics, money lessons have other benefits. "Money is a stand-in for many of the values we want to teach our children," says Janet Bodnar, author of *Dollars & Sense for Kids* (Kiplinger Books). "If youngsters learn how to spend wisely and delay gratification, they will develop patience and planning skills in other aspects of their lives."

Personal Finance 101

To increase your child's money smarts, try these strategies:

- **Explain how money works.** Your child needs to know there's not a little printing press inside every ATM. Explain that the bank is like a big piggy bank where you keep your money until you're ready to use it. Tell her that when you spend what's in your account, it's gone until you get paid by your boss and can put more in. She should understand that you can't buy whatever you want and that you need to make careful choices about how you spend your money.
- **Build your child's money skills.** Reinforce lessons he's learning at school by making a chart that illustrates basic money equivalents. Post it on the refrigerator or in your child's room. Help him practice exchanging pennies for nickels and dimes and quarters for dollars. Play store by putting price tags on items around the house: 50¢ for a pencil, 75¢ for a rubber ball, \$2 for a Hot Wheels car. Help your child figure out the cost to "buy" each one. Then hand him two one-dollar bills and explain that he has enough for the pencil and the ball or just the car, but not all three. Let him choose.
- **Give your child a small allowance.** It should be enough for her to buy minor items, such as trading cards, hair clips, or ice-cream bars. The next time you go shopping, tell your child to bring her money if she thinks she might want to purchase something. What if your child has blown her wad and still begs for ice cream? Tell her she'll have to wait until the next allowance day, Bodnar recommends. "If you give in, you've defeated the purpose."

If your child wants something big, such as a new hardcover book or a toy, help her figure out how much she needs to save each week in order to buy it. Make sure she has a clear plastic bank so she can watch her money grow. However, Dr. Blackburn advises teaching kids to do more with their money than spend it on themselves. She suggests encouraging them to donate part of their allowance to charity.

The majority of experts agree that a child's allowance should not be tied to household chores. "Children should help out around the house because they are part of the family, not because they are being paid," says Irene Leech, Ph.D., an associate professor and extension specialist in consumer education at Virginia Tech University, in Blacksburg.

- **Let your child do some spending.** When your child wants to make a purchase, help her count out the correct amount. Have her hand the money to the cashier and wait for her change. If your child wants to blow \$3 on vending-machine toys instead of waiting to combine it with next week's allowance to buy a Beanie Baby, point out the trade-off but leave the final decision to her. Tracy Barta, of Zionville, Indiana, lets her sons, 9, 7, and 4, spend their allowance as they wish. "But I have veto power if I think an item is inappropriate or too sticky to eat in the car!" she says.
- **Offer ways to earn extra cash.** Kids need to learn that they can increase the amount of money they have but that they have to work for it. Make a list of jobs your child can do above and beyond her routine chores, such as raking leaves or polishing silver, along with the amount you're willing to pay for the job. Paul Tedder, of Nashua, New Hampshire, says that when his daughter, Meghan, 6, wants to buy something specific, she offers to dust the furniture or wash the car for a fee. "What's scary is when she wants to give me one of her three-dollar haircuts!" Tedder quips.

Knowing how to handle money is an essential life skill

www.mummymoneymatters.com

With financial education now firmly in place on the national curriculum, Kalpana Fitzpatrick, financial journalist and founder of Mummy Money Matters, shows how to open up the conversation about money with children at home.

- Stop your kids forcing you to make unnecessary purchases
- Fun financial games to engage the kids
- Preparing your children for major life moments

Knowing how to handle money is an essential life skill: we need money to survive and it is one of the biggest lessons we can teach to children.

Start young

Serial entrepreneur Warren Buffet, started his first business at age six selling chewing gum. Buffet is certainly a special case, but his early success suggests that perhaps starting younger is better. Play shop using pretend coins or letting children hand over the cash when out shopping. You can also just let them collect loose change in a jar. The idea is to keep it simple but engaging, so that money is not an alien subject as they get older.



By playing make-believe with money and seeing its use in the real world, kids will find its value easier to understand as they get older.

Money games

As your child gets older, you can start introducing them to fun educational games. There are plenty of interactive ways to do this, using both mobile apps and board games.

If your child is always on their tablet, make good use of it by downloading an app that can teach them about managing money.

Kids Money is a simple app that lets children set goals for things they want. They can see how much of their pocket or gift money they would need to save to reach their target.

It's a great way to encourage children to save: setting a goal is essential; if children don't have a goal, then there is little incentive to save. The app is great for children as young as eight.

Pigby's Fair is another educational app, but with more entertainment. Created by the makers of Wallace & Gromit, the app allows children to set up their own stalls at a virtual village fair. They can create their own products to sell, such as ice-cream, and set a savings target.

Get the kids on board

Playing board games is a fantastic way to engage with your children as a family and there are some that can teach your children about money.

Money Bags by Learning Resources is for children age seven and older and, with HM Treasury approved realistic coins, helps them to recognize different denominations and develop math and counting skills.

There is also Pop to the Shops by Orchard Toys, which teaches children aged up to nine about going to the shops and spending their money wisely, letting them play as shopkeepers and shoppers.

It's also a good game to help children understand why they can't always have everything they want and avoid making unnecessary purchases.

Pocket Money

Pocket money is a great way to teach children about money, but it's important to be consistent. Children can't plan or manage their money if they don't know what they're going to get.

Equally, let them make mistakes. If they want to go and splash the cash, then let them; it is better they make mistakes now with small amounts of money than with large amounts when they are older.

You can also boost pocket money by paying for chores. Not everyone agrees that chores should be paid for, but if you do, then it's a great way to teach older children about earning money.

Prepare for life events

Children grow up quick and before you know it, they'll be young adults looking to buy a house or get married.

To help them prepare, talk about budgeting and also be open about your household finances; tell them how much you earn, what bills you pay and even if you are in debt. Children will grasp a better understanding of managing their finances when parents are open about their own.

Most parents want their children to stand on their own two feet as young adults, but poor money management skills could see them fall into debt, or even rely on the bank of mum and dad when older.

It's important that they understand how to save for the future and protect themselves should things go wrong. Educating them in how financial protection policies work will help them to be better prepared, but you should also educate them about interest, pensions and managing bank accounts.

The Personal Finance Education Group provides some excellent resources and interactive tools that parents can use to help educate children on all aspects of money, such as insurance, mortgages, mobile phones and debt. It works closely with the national curriculum, so you can make sure your child's learning is enriched with your input and personal experiences. For more personal finance ideas and resources, follow Kalpana Fitzpatrick on Twitter [@KalpanaFitz](#) or check out her website [Mummy Money Matters](#).