

Talking Quids with

Ollie

Primary School Teacher Pack

P2 to P7 Class resource



lesson 4



Bank of
Ireland
UK

Lesson 4

Spending & Saving

Lesson Summary

Ollie the Owl now understands a little better where money comes from and the many temptations to spend it. In this lesson, we are going to examine in detail ways people actually create a plan to save and spend their money. Planning helps people make choices about how to use their money. Saving means choosing not to spend all of your money today in order to have some for the future.

Ollie will also examine some of the choices people make when it comes to saving and spending and some of the handy tools to help along the way.

Finally, Ollie will examine how different people manage their own money and consider what you might do with yours.

How to use this lesson

- ▶ Read the material presented
- ▶ Use the prompts to discuss the material with your class
- ▶ Encourage students to work in groups
- ▶ Allow time for reflection and discussion
- ▶ Use the appropriate class activity at the end of the lesson to support learning

Discussion Time



Meet Gavin

This year for his birthday, Gavin received £200 from his aunts and uncles. They wanted him to choose something for himself that he would like.

Gavin wrote down a list of things he really wanted right away; new jeans a pair of trainers and a new jacket. He didn't necessarily need them right now, but he didn't want to wait.

Within a week, having shopped online and visited his local shops, Gavin had spent all his birthday money.

The following week, when his friends asked if he would be interested in going to the cinema to watch a new film and to get food afterwards, Gavin had to decline, he had no more money. The trip to the cinema with his friends would have been £20. The worst thing was that a lot of the items Gavin purchased the week before, were now on sale. If he had waited, he could have spent £120 on the same jeans, trainers and jacket, leaving him with £80 left. Had he been a little more patient, he could have enjoyed a night with his friends, purchased all of the items of clothing AND still saved £60.

Meet Keith

Keith attends the same school as Gavin and while they are friends, they do their own thing also.

Similar to Gavin, his birthday was a month earlier. While he received some cash, it wasn't as much as Gavin. He got £120 in total. Keith was delighted.

Unlike Gavin, Keith is very organised and patient. He prepares for sales and other price-drop events. He is aware that if he can hold out just that little bit longer than everyone else, he can get a lot more for a lot less.

For example, of the £120 he received from his birthday, he spent £60 and saved £60. And when his friends called to see if he wanted to join them at the cinema, he knew it wouldn't be a problem as he always has a little money saved for events like it.

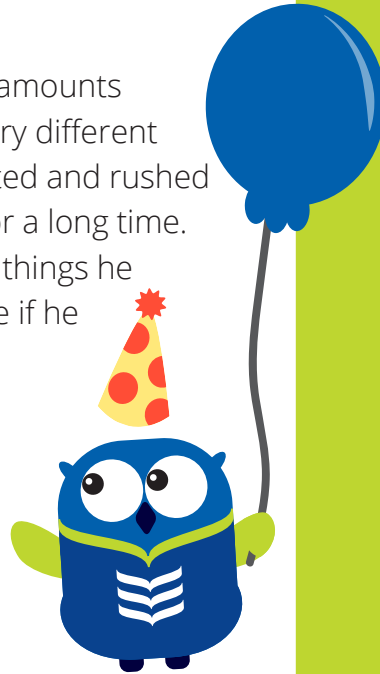


Discussion Time

While Gavin and Keith received generous amounts of money for their birthday, each had a very different approach to using it. Gavin was really excited and rushed out to buy the things he wanted to have for a long time. Keith was more patient. While he also had things he wanted to buy, he was willing to wait to see if he could get the best value.

If you received a sum of money who would you be more like and why?

- ▶ **Gavin**
- ▶ **Keith**
- ▶ **A bit of both**



£1000 Challenge

Group Discussion

Ask the class to break into groups of 4 – 6 students to discuss what they would do if the class was awarded a budget of £1000. They can choose to spend it all on something now that they think the class needs this month. They can keep it all for something later in the year or they can choose to spend some and save some. In this group exercise, get the students to get the majority view if they would:

- A.** Spend it all
- B.** Save it all
- C.** Spend some and save some

If students chose option C, how much of the £1000 would they save?

£1000 Question

How did your group choose?

Did you consider the 50 / 30 / 20 rule?

SAVE - Yes, our group voted to save all of it: £ _____

SPEND - Yes, our group voted to spend it all: £ _____

BOTH - Yes, our group voted to save some & spend some: £ _____

In this case, list how much you would save and how much you would spend:

Amount to save: £ _____ **Amount to spend:** £ _____

List items purchased:

A family trip

Within their groups, ask the students to plan a trip for their family. They can decide on the holiday destination.

There are lots of things to spend money on and the students need to list what items the Parent/Guardian's would buy and what items the students would buy. They also need to work out the approximate cost of each item.

Holiday Destination

	Cost
Parent/Guardian's Items	
Student's Items	
Total Cost	



Class Activity - Dress me up

Challenge – You are given £250 to spend as you please on some new clothes. There are no restrictions on what you do. You can buy the latest styles or head for the bargain aisles.

Your Money. Your Choice.

Below are some everyday spending options. It can be tempting to want to buy the more expensive branded items. What would you do? Mark the item that works best for you. At the end of this exercise, add up how much you spent.

Spend or Save Time!

A		OR	B		→	<input checked="" type="checkbox"/> A £15 <input type="checkbox"/> B £135 <input type="checkbox"/>
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A		OR	B		→	<input checked="" type="checkbox"/> A £5 <input type="checkbox"/> B £50 <input type="checkbox"/>
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A		OR	B		→	<input checked="" type="checkbox"/> A £8 <input type="checkbox"/> B £65 <input type="checkbox"/>
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Total Spent £ _____

Meet Aoife

"Hey, I think I was short-changed, I am missing some money"

Aoife was convinced she was given back the wrong change at one of the shops she visited recently. She started out with £65 and only had £6 now.

Usually, Aoife hadn't been in the habit of asking for a receipt but recently, after she started university and was trying to manage her money, Aoife began asking for receipts each time she went shopping.

After emptying out her pockets, instead of finding a £20 note, all she found was a pile of receipts. There was one for £12 for a t-shirt she purchased, £7.50 from the cinema, plus there was a taxi fare for £15. And a receipt from the new take away for £12. Oh, and three coffees at the coffee bar at college for £3.50 each.

And lastly, Aoife bought three birthday cards for £2 at the local discount shop. All in, the total was £59.

So, Aoife didn't lose any money. She spent it. Luckily for Aoife, the receipts helped her work out where the money had gone.

Meet Emily

Emily used to be a big spender. As soon as she would receive money, she would spend it. And more often than not, like Aoife, she would try and convince herself that she was short-changed or that someone borrowed money from her without asking first. The bottom line is she was always left with no money.

So, she decided to take action to get her spending under control by developing a simple plan to spend her money a little smarter and save a bit for later:

1. She set a spending budget each time she went shopping.
2. She looked at the price of what she would buy.
3. She calculated if she could afford to buy it with the money she carried with her.
4. She always asked for a receipt.
5. She checked to see that what she paid was what was advertised.
6. She also checked her change to make sure she received back the correct amount.

Emily has changed her habits. She has learned to control her spending and save for the times that really matter. She is budgeting, which is a lot like a roadmap for your money.



Hands Up! Who do you identify with more, Aoife or Emily?

Aoife – Spending is fun.

Emily – Budgeting requires effort, but can be worth it.

Were you paying attention?

1. List 4 items that Aoife purchased?
2. For each item, how much did Aoife pay?
3. What ways could Aoife save?



Tell us your story

Have you ever spent money and forgot that you spent it?

Do you think it is a good idea to save money? Tell us why?



Question Time



Question – “I really want to get a new phone, but it is expensive. Should I ask my family for a loan?”

Answer – It all depends on the cost of the phone, how much money you might be able to save by yourself and most importantly, if you do ask for a loan, what might they ask for in return – housework? Before you decide to borrow, why don't you explore whether or not you might be able to buy the phone on your own. The best thing you can do is follow these easy steps:

1. Add up all the money you have now (if you have none, that's okay).
2. Add up any money you expect to receive (gifts, birthdays, special occasions) in the next six months.
3. Next, track and record how much you spend each day or week (use the budget planner included in this guide).
4. Work out if you spend all of your money or, if you have some left over, how much you might be able to save.
5. If you want to buy the phone, consider some items you could stop spending on. This will allow you to save.
6. Ask a parent or teacher to work out how long it will take to save for the phone.
7. Start your plan and stick to your savings goal.
8. Don't forget to shop around for the best offer on the phone.

Ollie the Owl's Budgeting Worksheet

A beginner's budget planner to track money coming in and money going out!

Money in (income)

Pocket money	£ _____
Jobs	£ _____
Gifts	£ _____
Savings	£ _____
Other _____	£ _____
Other _____	£ _____
Other _____	£ _____
TOTAL	£ _____

Money out (expenses)

Hobbies	£ _____
Clothes	£ _____
Entertainment	£ _____
Food and drinks	£ _____
Other _____	£ _____
Other _____	£ _____
Other _____	£ _____
TOTAL	£ _____

Subtract the total **EXPENSES** from total **INCOME** to see if you spend less than you receive.

Are you a now or later person?

I want it now!

If it's my money, I should be able to spend it when and where I want to. I mean, that is what money is for... to spend it, right?

I don't mind waiting!

I don't mind saving as I know I will have the money to buy the items I really need when the time comes.

Reflection Time

List the top 4 items you would like to have now?
How much does each item cost?

Item	Cost	Estimate
	£	£
	£	£
	£	£
	£	£



5 Reasons to Spend Wisely, Plan Smartly and Save!

1. Planning helps people make choices about how they use their money.
2. Saving means choosing to put some money aside for future goals and emergencies.
3. Peer pressure, advertisers and celebrities sometimes tempt people to spend more money so they look stylish.
4. A spending and saving plan is a guide to help people balance money coming in (earnings, gifts) and money going out (expenses). This is also referred to as a budget planner.
5. Planning helps people make choices about how they use their money. This can include shopping around for the best price and deciding to set a spending limit the next time you visit a shop or go to the cinema.

Word Focus

Planning – Helps people make choices about how they spend their time or money.

Spending – When you give money to pay for products or services.

Saving – Money you chose to put aside to spend on something in the future.

A Loan – When you borrow something that belongs to someone else. You must return it. Adults can borrow money, but when they repay it, they may also pay interest which is the cost of borrowing the money.



Additional Class Activities

Class	Learning Objective	Activity
P2 & P3	There are different places to save	Discuss 2 places where money can be saved.
P2 & P3	Money can increase over time	Have students collect all 5 pence, 10 pence and 20 pence coins and do this until they get to £1, £2 and discuss how they will use the money.
P4 to P7	Managing money spend is important	Ask students to develop a way to track spending either at a personal level or household. Hint: collect all receipts and keep in an envelope.
P4 to P7	Money is very precious	Create a system to track money spent.
P4 to P7	Learning how we spend is very useful information as it can assist us to make better spending decisions	Review a recent shopping receipt and discuss the various aspects of information on the receipt, include date, cost, item(s) and if items could have been purchased for a lesser cost elsewhere (discuss).



**We welcome your feedback,
so please feel free to share
your thoughts at**

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