

The background features a large, light grey 'S' on the left and a large, light grey 'J' on the right. A horizontal bar with a color gradient from orange to yellow is positioned across the middle. The text 'Being Savvy with Money' is centered on the orange part of the bar.

# Being Savvy with Money

Year 7-9  
(Two sessions)

# Being Savvy with Money

## Piggy Bank Saving

- Putting your cash in a piggy bank is good for the short term but it means that it sits there and does nothing else.
- £20 put in your Piggy Bank for your 12<sup>th</sup> birthday will still be £20 when you are 15!!!

## Bank Account Saving

- But putting it in a real bank and you're actually lending them your money – so they need to pay you for it.
- The amount you're paid is called interest.
- The longer you keep it with the bank, the higher the interest your savings will earn, the more they are paying you. WINNER!
- If the interest is 10%, that means they pay you 10p a year for every £1 you save with them.
- So having £200 in the bank for a year gives you how much interest?

# Being Savvy with Money

- What are banks?

[https://rbs.gumuccloud.com/asset/pYVkm7AiiEX?format=mobile\\_mp4&delivery=CDN\\_INLINE](https://rbs.gumuccloud.com/asset/pYVkm7AiiEX?format=mobile_mp4&delivery=CDN_INLINE)

1.44 mins

- Watch the videos on the right and they will show you how easily it is to spend your money without thinking and explain some important words like balance, withdrawals, credit, debit and the difference between some of the bank cards

- <https://youtu.be/tWNwwOo9wEs>
- How do you spend your money? 3 mins

<https://youtu.be/K3HwPuJ0GUY>

Sensible with money. 1.45 mins

- <https://youtu.be/FJLRvoACHao>
- Balance and withdrawals. 0.26 secs

# Being Savvy with Money

Q. Why is saving money important?

Q. When we are earning money why can't we spend our money on everything we want?

Q. Why is it important that we do not always 'live for the moment'?

- Consider these as reasons why you might use your savings, can you think of any more?
- Buying an expensive item eg a car
- Paying a deposit for a flat or house
- Holiday
- Engagement or Wedding
- Starting a family
- Nice birthday present
- New clothes
- Paying for household bills

# Being Savvy with Money

## Needs & Wants

- In life there are things we really do NEED to spend our money on and those we WANT to. Needs can be our basics, essentials, necessities or day to day things. Whereas wants are our luxuries, treats or things we could live without but every once and a while we spoil ourselves on.

## Needs & Wants

- <https://youtu.be/c1ATIkxUXQg>
- Needs and Wants 2.10 mins
- [https://youtu.be/obGDTD\\_bm2c](https://youtu.be/obGDTD_bm2c)
- Under pressure to spend 2.10 mins
- [https://rbs.qumucloud.com/asset/Pm5ibJzy0un?format=mobile\\_mp4&delivery=CDN\\_INLINE](https://rbs.qumucloud.com/asset/Pm5ibJzy0un?format=mobile_mp4&delivery=CDN_INLINE)
- Needs and Wants 2.06 mins

# Being Savvy with Money

## Are the items below Essential or non-essential?

- Toothpaste
- Food
- Mobile Apps
- Travelling to work
- Sweets and biscuits
- Going to the cinema
- Holidays

## What do you think, Essential or non-essential?

- Music downloads
- TV License
- Rent/Mortgage
- Electricity and Gas
- Food
- New trainers
- Online gaming

# Being Savvy with Money

- Work with your partner;
- Q. Do you get pocket money or money from doing jobs?
- Q. What do you spend it on?
- Q. Do you have money left over?
- Q. Do you make a real effort to save?
- Q. Do you have a budget?

## Making a Budget

- Use paper and pen to calculate the following and make notes ready to share.
1. What are your weekly incomings in £?
  2. How much do you spend each week?
  3. What do you spend your money on?
  4. How much of that is on NEEDS?
  5. How much of that is on WANTS?
  6. Do you think you could 'trim' your spending habits? How?
  7. Do you have any tips to share on saving money eg a £1 or £2 jar that is not touched for a year?
  8. What do you understand by the word debt?
  9. How can we stop this from happening?
  10. What is a balanced budget?