

Key Vocabulary

money	Something people use to pay for things they need.
employment	Having a job.
wages	The amount of money people get paid for doing their job.
bank account	A place to store money safely.
debit card	A small plastic card which is linked to a bank account . People can use a debit card to pay money from their bank account .
credit card	A card which enables people to spend money that has been lent by a credit company. People can spend more money than they have and then repay it at a later date. People pay interest for borrowing this money .
contactless payment	Paying for goods and services by tapping a debit card onto a small machine. This transfers money from the linked bank account to the business you want to pay.
online payment	Paying for goods and services on the Internet by entering the details from a debit card in a form. This transfers money from a person's bank account to the business they want to pay.
interest	<ol style="list-style-type: none">1. A fee charged for borrowing money.2. A sum of money paid by the bank into a bank account to encourage savings.
ethical spending	Spending money or buying things in a way that has no negative impact on the environment or people involved in the making of the goods.
environment	The surroundings in which people live.
priority	Things we consider important.

Key Knowledge

Where The Money Goes

Money can come from many places. One way people get **money** is by having a job. Often, if people have a job they are paid **wages**. The **money** they earn every year from a job is called a salary. This **money** can be used to pay for food, household bills, travel costs and outings. When people decide what job they would like to do, the **money** they are paid may be one consideration but there may be other things that influence the decision as well. These include the training that is needed, the **interests** and skills someone has and the team someone would work with. Different jobs have different requirements. Sometimes people need to have certain qualifications, sometimes people need to have done certain training and sometimes people need **interests** and strengths in an area which will help them with the job.

Forms of Money

There are lots of different ways to pay for things we need or want. These include coins and notes, **credit cards**, **debit cards**, **contactless payments** and **online payments**. The way people choose to pay for what they need may be affected by the cost of the item that needs to be bought and where it is bought from. How people choose to store their **money** is a personal choice and it is their choice what they do with this **money**. We are all different so will all have different opinions on how to use our **money**.

Borrowing Money

Sometimes people need to borrow **money** and this could be for lots of different reasons. **Money** might need to be borrowed so people can buy food or pay household bills or to pay for university fees or to buy a house. No matter what the reason, if something is borrowed, it needs to be returned. When people pay back the borrowed **money**, there is also an extra fee called **interest**. This is an extra amount that needs to be paid when **money** has been borrowed. Borrowing **money** can have an effect on our mental wellbeing. It may cause people to feel happy and satisfied if borrowing has helped them to achieve something they have been working towards or it may cause people to worry if they feel unable to repay the **money** that has been borrowed. If people experience any uncomfortable emotions about **money** it is important that they talk to someone they trust.

Decisions About Spending

Everyone is different and because of this we will all have different **priorities**. What people choose to spend their **money** on is a personal decision that needs to be right for them, their family and their wellbeing. Some people choose to prioritise spending that avoids any negative impact on the **environment**. This is **ethical spending**. These choices might include avoiding single-use plastic, exploring fair trade options, giving items to charity shops when they no longer need them and taking reusable shopping bags when going shopping. Everyone has different spending priorities and it is important to view the decisions of others with kindness and respect. If any decisions about spending ever worry us, it is important to speak to a trusted adult to get help.

Advertisements

Many companies advertise their products to try to encourage customers to buy them. It can be helpful to understand companies are often trying to sell their goods and therefore will make a financial gain.

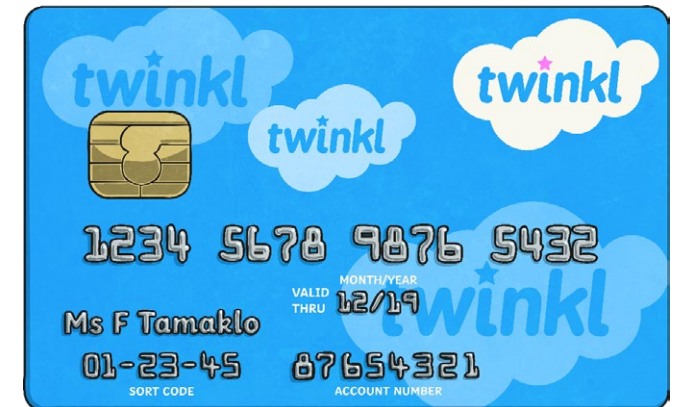
Spending and Recording

When people go shopping they will need to make decisions about what to buy and where to find the items depending on what they are shopping for and the reasons they are shopping. It can be helpful to record what has been spent so that people know where their **money** goes. Recording how **money** is spent can help to budget for future spending as well.

Key Learning Point:

The spending decisions people make will be as individual as they are. We are all different so will all have different priorities. It is very important we respect the decisions of others and show ourselves kindness when reflecting on our own spending choices. We can do this by:

- understanding what choices we have about how to spend our **money**;
- reflecting on our own priorities and spending what we feel we need to on things we consider important;
- exploring **ethical spending** options such as donating to charity shops and taking reusable bags when shopping;
- being aware of how spending can affect our feelings and emotions;
- talking to a trusted adult if anything worries us.



To look at all the planning resources linked to the LKS2 Money Matters unit, [click here](#).