

Year 5 Home Learning

Date: Wednesday 8th July

Financial Literacy

Numeracy and Literacy in one!

Last lesson we looked at bartering, and how things we own can be used to “buy” things rather than using money. Kyle MacDonald managed to swap a paperclip for a house! So...

Do we need money?

What do you think about money?



Is it a good thing or not in society?

Which would you rather pay with?

How would you pay for goods and services?



Is it easier to pay with BARTER ?



Or

Is it easier to pay with coins and bank notes?



Money is just a tool in society to purchase goods and services and is neither good nor bad.

However, you can make a difference in your community by giving to charity.

Every country has some form of currency. There are lots of reasons why countries chose to have money, including:

- Money is a store of value- we always know what it is worth.
- It prevents cheating, by using standard sizes (everyone knows how big a 10p piece should be).
- It is easier for governments to collect taxes versus physical goods. It might not be fair to collect 2 chickens in tax from one person and 2 bags of flour from someone else!
- Money can be used to purchase both goods and services.
- Physical money defines a country and its history and culture.
- It is easier to keep coins and money safe, rather than things like animals!
- Money is easier to use than bartering.
- Different nations can use money to trade goods.

Will we always use money?

- We now use bank cards (credit and debit cards) as well as using physical money.
- We can also now use contactless payments to buy things, using bank cards, our phones and even our watches!
- Contactless payments surpassed cash payments for the first time in 2016- this means more “money” was spent without using money than with!
- Even without physical money, we still have a currency – the Great British Pound – so we are not bartering.



Will we always use money?

- Did you know that it costs the Royal Mint (where all money is made in the UK) more money to produce the penny coin that it is actually worth?
- Canada and Brazil have eliminated the penny for this reason.
- Some people think that we should, and will in the future, get rid of all money and only use cashless payment.



Your Tasks

1. Imagine we had never developed money... what would you use to buy these 5 things: a haircut; a bag of crisps; a new pair of trainers; a pencil case; and a new PS4 game.
Remember to write your answers in full sentences.
2. Do you think we should keep the penny coin? Create a table listing the **reasons to keep the penny**, and reasons **not to keep the penny**. Make your conclusion at the end.
3. Write a short paragraph describing what you think the world would be like if, in the future, all physical bank notes and coins disappeared and all payments were contactless.

*** Extension activity ***

Imagine a world where all the money magically disappeared. Write a short story about a day in the life of someone (yourself, a child or an adult) in this world.