

Year 5 Home Learning

Date: Wednesday 15th July

Financial Literacy

Numeracy and Literacy in one!



Savings, spending and need vs. want

Saving Money

What do we mean when we say we're saving money? What are we saving it from?

And why is it so important?



Saving Money

- Saving money is when we put some money to one side to spend later. We keep it safe in some way so that we don't spend it.
- We can save money by keeping it in a piggy bank, somewhere else safe at home, or in a bank.
- Sometimes we might save our money for something in particular, like a new game or a car.



Other times, we might not know what we're saving for. Some people save "for a rainy day"- just in case they need that money one day.

- Some things might take weeks to save up for; others might take years!
- The earlier you start saving, the more money you will be able to save!
- A recent study found that if you had deposited £1 into a bank account 200 years ago, it would be worth about £1000 today!



- How much someone can save depends on how much money they earn and how much they have to spend (on things like food and bills).



- When people save money in a bank, they can expect to get their money back plus interest. We'll look at this a little more next lesson.
- Different banks offer different deals to encourage people to save with them. It's always a good idea to compare the different deals they are offering to see which is best.
- Banks want you to save your money with them, as this means they can lend more money to other people and make more profit.



What could you get if you start saving early?

Start saving at:

What can you buy when you are 40?

35 years old



30 years old



25 years old



10 years old



The longer you save for, the more you will save.

Your Task

1. James gets £3 a week pocket money. If he saves all of it, how much would he have after:
 - a. one month?
 - b. one year?

c. He also receives £50 for his birthday and £20 from each of his three uncles at Christmas. How much does he now have?
2. If you saved £1 a week from the age of 10, how much would you have in savings at age:
 - a. 20?
 - b. 30?
 - c. 40?
 - d. 50?
 - e. 60?
3. Phil would like to buy a new PS4 game. It costs £21.99. He receives £4 pocket money each week. How long will it take Phil to save up for the game?
4. Richard wants to buy a new car. He's chosen a new Ford Focus which costs £25,000. He has a good job and earns £2500 a month, but has to pay his rent (£600 a month), bills (£250 per month) and buy food (£200 each month). What is the shortest amount of time it will take him to save up for the car?
5. What would you like to save up for? Think about 5 things you could do to help you earn money so that you can save up more quickly.

Answers

1. a. £12 b. £156 c. £266

2. a. £520 b. £1040 c. £1560 d. £2080 e. £2600

3. 6 weeks

4. 18 months

5. Answers will vary