



## **Notes for parents of KS3 students.**

Aim at this stage is to make sure that children have an awareness of the value of money, get into a savings habit and open a bank account and have an awareness of how banks work.

### **Value of money**

Look at household bills together. Help your child understand that everyday living costs money.

Tell them that you don't get to keep everything you earn.

### **Saving**

If your child gets pocket money encourage them to save some of it by setting a savings challenge or by offering to match their savings.

Encourage you child to work for more pocket money - perhaps set a 'chores menu' so that they can equate more work = more income.

Talk about a savings goal - something they really want.

Save alongside them.

### **Bank**

At 13/14 its a good idea to think about your child having a bank or building society account.

Let them research banks and choose themselves.

By all means talk about your experiences and assure them that they can change banks.

Talk about your experiences of using banks - what a debit card is, getting money from a machine, paying bills.

Show them how you access your account through an app or website

## **Terms that might be useful**

### **Direct Debit**

An agreement which allows the company you have set up the direct debit with to approach your bank and ask for an unspecified sum of money on a regular basis.

Providing you have funds in your account the money will be paid. It is often used to pay a bill that has a different amount every month - eg mobile phone.

### **Standing Order**

By setting one up your bank will pay the same amount at the same time each period to the same company. It will be paid as long as there is enough money in your account. You will need to know the other parties bank details - account name, number, bank and sort-code to set one up.

**Overdraft**

An amount of the banks money that you can use in addition to your own. The amount must be agreed with the bank before it is used and must be repaid.