

iGenPod Classroom Activities

Teacher's Guide

Saving and Spending

Financial Literacy





Overview:

In this lesson students explore the concept of spending and saving money.

Activity Duration:

1 hour

Objective

Students will:

- Understand why saving money is important and how to spend money fruitfully
- List some benefits of saving and create a simple savings plan

Materials:

- Link to Saving and Spending video:
https://www.youtube.com/watch?v=OIGu9kFJOcg&ab_channel=iGenPod
- Hand-out of Saving and Spending – 1 per person
- Pen/ Pencil / Colours

Activity Vocabulary

- Saving: amount of money saved out of the total earning/ allowance
- Interest: it is a percentage of money that's added to a savings account every so often
- Budget: a plan we make to use money wisely.

Procedure

- Begin the lesson with a short, whole-class discussion about money. Ask students to volunteer anything they know about what money is and how it works. (They can refer to their previous session of money management). Talk to them about if they get an allowance or a gift from their family in the form of money.
- Video: https://www.youtube.com/watch?v=OIGu9kFJOcg&ab_channel=iGenPod
 - As a reward for their hard work, their parents paid each of them Rs 50! Right away, Aru took his money and put it in his savings jar. He is saving money to



buy a brand new basket ball! Now, Ashi asked her mom to take her to the local kirana store where he spent her money on chocolate candy

- When the video is over, ask the kids these questions:
 - What would you do?
 - Would you save the money or buy something right away?
- With the help of PPT introduce these terms to the kids: the words 'Save' and 'Spend'. Tell them that money can be used in two ways: to spend and to save. Money can be spent for things that we need and for things that we want but don't really need.
- Activity 1: Making "Save" and "Spend" envelopes. From the worksheet provided, the kids will make 2 envelopes and mark them one as "Spend" and one as "Save".
- Activity 2:
 - Ask the kids to collect all the money from their previous "money management" session and count it. Everyone should have an equal amount of money (50/-) with them. The amount of money can be changed for different age groups (if required).
 - Now tell students that this is what is the total allowance they have received by doing household chores. Tell them that now they will go shopping to buy some things which maybe they need and are necessary like food items and some things which are not necessary but they would still like to buy like toys etc .
 - Tell students that they can decide whether they would like to spend it all now by putting it in their " SPEND" envelope or they would be saving some part of it for later use by putting it in the "SAVE" envelope.
 - Let kids decide how much money they want to put in each envelope and go ahead and do it. They may choose to spend all the money in shopping but they cannot put all the money in SAVE as they have to do essential shopping.
 - Now once all the kids are ready with their envelopes, tell them that whatever money they have put in a SAVE envelope, will get double at the end of the lesson. Point out why it is a good idea to save; you earn extra money, and you can afford things that cost more money. Tell kids that your mom/dad is your banker and ask kids to hand over their "SAVE" envelope to them. At the end of the session, they can get their save envelope back with double the amount of money in it.
 - Once they hand over the "Save" envelope to their parents and only have the "SPEND" envelope with them, tell students that there will be rounds of shopping and in every round each student needs to think of one thing he or she wants to buy from the list. Help the students to focus on only one item.
 - Show them each slide in the shopping PPT and ask them to choose one object each from each round. Remind them that they can only spend money from their "SPEND" envelope. Give them 30 sec to choose for each round. Keep a



- tally of what amount each kid has and price of stuff they are buying; also ask each kid why he/she chose that particular thing.
- After all the rounds of shopping are over, ask them to calculate how much money they spend on shopping.
 - Ask them these questions at the end of shopping:
 - If anyone has any left over money from their “SPEND” envelope and if yes, then how much.
 - Did all students have the money they needed to buy things they wanted once they got to a new shop?
 - Did anyone realize they didn't have enough money to buy something they wanted?
 - How many students chose to budget their money in the beginning of the game?
 - Ask them to collect their SAVE envelope from their bankers (parents) in which now they will have double the amount of savings plus ask them to add any leftover money from their SPEND envelope.
 - Now tell children that ask each child what they will like to do with that money? Will they save it again and keep adding to it till they get a lot of money or would they spend it on buying something for themselves?
 - After the activity discuss these points with students:
 - Why is it important to save?
 - Why shouldn't you save all of your money? (You might have to buy lunch)
 - Why should you save your money in a bank? (Safety and Interest)
 - Conclusion: At the end of this lesson, you will be able to explain why saving is important. Tell students that it's a good idea to save a certain amount every time you receive money.