

Dear Year 6 parents/guardians,

This half term in Year 6, our PSHE topic is based on managing money. By the end of the term your child should be able to: explain that money can be earned, saved and spent, understand how financial decisions can impact people's emotions (gambling) and describe some of the pathways into a range of jobs. Please help your child with their learning by going through this fact sheet with them. Many thanks, Year 6 teachers.

### Key vocabulary

Income—the amount of money received by a person, group or company during a certain period of time.

Outgoings—the amount of money that is spent on certain items, bills or days out.

Salary—a fixed amount of money paid at regular times for the work a person has done.

Bank account— a bank account is where money is saved or borrowed from.

Debt—something owed to another person.



### Key knowledge

What is Saving? Saving is when you take a portion of your earnings, and instead of spending it now, you park it away to use later. Your earnings could be from a job, freelancing, or a business. It could also be your allowance, or chore money

What is budgeting? It is an estimate of income and expenses. For example, when a family sets up a monthly budget, it means they decide how much they will spend on what. An easy way to remember this is - Goal-Savings-Cost

### What is Gambling?

Gambling as being a risk where money, or something else, is swapped in the hope of winning something better or more money. Adults who gamble do not know if they will win or lose. Gambling is something that some adults may choose to do and some of them can then find it difficult to manage. Some adults choose not to gamble at all because they do not think it is worth it or it is against their beliefs or religion.

### How can gambling affects somebody's life?

Gambling can become an addiction which could over time affect a person's mental health and may lead to other money problems e.g. debt.

### Advantages of spending money:

- Buying things we want/need.
- Enjoying purchases or experiences.
- Spending money on others.

### Disadvantages of spending money:

- Unable to afford other things that we want
- Unable to pay for unexpected expenses.
- Could end up wasting money if something breaks quickly.

### Advantages of saving money:

- Having money ready for unexpected expenses.
- Appreciating the purchase more if it takes longer to save for.
- Having more money in the long run because of interest.

### Disadvantages of saving money:

- Having to wait for the things that we want
- The item we want is not available by the time you have saved.

### Career check list

When thinking about your career, there are a few points that you may want to consider:

- What the job is.
- What the job requires.
- What qualification will you need to gain.
- What is the salary.
- What is good about the job.

