



## TREASURE CHEST

School year levels      Years 3 - 6  
Age group                8 - 12 years

### Summary - The sports team

This income vs. spending activity displays simulated income from jobs and/or pocket money and expenditure, then invites them to analyse the results. As the recorder, they choose for how many weeks they want to record income and expenditure.

As they plan their expenditure for the following week, players are encouraged to think about growing their cash balance and putting this money into a savings account. They are also encouraged to plan to not spend all their income, and to refer to their records to see how well they stuck to their aims.

A negative balance at the end of the activity means that the player has needed to borrow money during the course of the activity period.

### Background information - Needs, wants and trade offs

Keeping financial records of income and expenditure manages risks and helps people plan future expenditure. Planned expenditure encourages people to make better financial decisions. Record keeping is often a weak financial skill - we often trust the balances the bank gives us, and we trust that the change in our pocket is right.

Positive bank balances mean more choices for the future. Negative bank balances means reduced choices in the future.

### The Learning

Income is payment for the work we do, and as we get older it is our responsibility to earn income. The more income we earn, the more spending we can do and the more money we can save.

Budgeting and record keeping is important in achieving financial goals. Record keeping helps us measure how successful we have been in meeting these goals, and provides information on how we could do things better next time.

### Key financial concepts

**Risk is a part of financial planning and needs to be managed**

- Record keeping and planning are key to managing risk.

**Our financial responsibility is up to us as individuals**

**Financial decisions impact on well-being**

- The more we earn the more financial choices we have.

**Individuals respond to a range of incentives**

- We allocate or spend our money in different ways.

**The consequences of financial decisions lie in the future.**

- More savings today give increased choices in the future.

### Curriculum Links

Curriculum achievement objective level      Level 2 - 3

### Achievement objectives

**Mathematics**

- Mentally perform calculations involving addition and subtraction (level 2)

### Essential skills

**Numeracy skills**

- Recognise, understand, analyse and respond to information which is presented in mathematical ways

**Information skills**

- Organise, analyse, synthesise, evaluate and use information
- Present information clearly, logically, concisely and accurately

**Communication skills**

- Become competent in using new information and communication technologies



### Guided questions

How much pocket money did you earn? How much from parents, how much from extra jobs?

How much in total have you spent on entertainment over this time? How much on food? etc

What was your 'closing cash balance'?

What are the risks of not acquiring good numeracy skills?

Explain the relationship between income, spending and savings.

If you spend more than you earned, what might be the consequences?

From your budget, if your caregiver gave you any unspent money, how much do you think you could lower your spending by?