

CATEGORY ONE:

Ways to Pay (Ages 5-7)

Learning objectives

For children to understand that there are a range of ways which people use to pay.

For children to know that there are benefits to the different ways items are paid for.

For children to become familiar with some of the advantages of the different ways to pay.

Links to the Financial Education Planning Framework

I can describe the different forms money comes in today, and the variety of ways in which it can be used to pay for things (5-7).

I understand that money, and ways to pay, will continue to develop in a variety of forms in the future (5-7).

CHALLENGE ENTRY OPTION

Create something that helps people make wise choices about the different ways to pay for things.



Children can approach this challenge in whichever way they choose. For example, they can design a guide or tool that people can use to help them make decisions, or they could create a poster or infographic explaining different payment methods. The challenge is about being creative and helping other people develop good money management skills.



YOUNG
MONEY
CHALLENGE



Q: Why do people pay for things in different ways?



MATERIALS

PowerPoint with payment methods and scenarios.

Printable handout of payment methods.

INTRODUCTION

There are lots of ways to pay for items and people need to make choices between the different ways to pay each time they buy something. Sometimes their choice is based on what is the simplest, safest, or quickest way to pay. Other times it may be because it's the way that helps them manage their money best. Today we will look at some of the different ways to pay for items and why people might prefer to pay for an item in a certain way.

ACTIVITY 1

Ask the class to tell you some of the different ways that people can pay for things.

Explore their understanding of the difference between paying with cash, and paying by card, phone or other device.

Ensure they understand that when a person pays for something in cash, they are exchanging the cash for the item or service they are paying for. And when a person pays for something with a card, phone or other device, they are still exchanging money for the item or service, it's just happening electronically.



Differentiation options

If children need more help to understand how card payments work (compared with cash payments), check out this Quality Marked lesson plan on *Where Money Comes From* available for free download here:

<https://www.young-enterprise.org.uk/resources/HSBCUK-KS1>

If children want to know more about how card payments work, check out this Quality Marked lesson plan on *Ways to Pay* available for free download here:

<https://www.young-enterprise.org.uk/resources/HSBCUK-KS2>

NOTE: this is a KS2 lesson plan but is suitable as an extension activity for KS1.



Q: Why do people pay for things in different ways?

ACTIVITY 2

Display the PowerPoint slide showing the 3 different types of payment methods – cash, card, and phone – and the explanation about how each of them works.

In pairs, ask the children to decide which method of payment they would use in each of the scenarios provided on the following slides. You can print the handout so they have the explanation in front of them to help them decide.

Make sure they understand that there is not one right or wrong answer here, so they don't have to agree with their partner. It's important that they can explain WHY they would choose that option in that situation. To help them decide, suggest that they think about the following:

- Are all payment options available to the person in the scenario?
- Which option is easiest?
- Which option is safest?
- Which option is best for people who want to keep track of how much money they have?
- Which option is best for people who want to make sure they don't spend too much?

From an inclusion perspective, it's also important for children to understand that not everyone will have a smart phone or other device that allows contactless payments. See if you can draw this out in their answers to some of the scenarios.

Differentiation option

To simplify this activity, use the slide with just cash and card options.

ACTIVITY 3

In small groups ask the children to talk about which payment methods they think are better and why they think that.

They could create a table or diagram of some of the different circumstances where people might choose to use cash, card or phone payments – for example, when doing a big family shop at the supermarket, when buying an ice cream, or when paying for the bus. Ask children to carry out some research at home by speaking to their different family members about how they prefer to pay for things and how they decide between the different payment options. Have children write down some questions that they can ask their family members.