



KIDS AND THEIR MONEY

Every generation will treat money differently but children of the 21st Century certainly have many more uses for money than those of the last century. For the sake of their future well-being, it is important to introduce your children to the intricacies of money management from an early age.

Explain to them where your money comes from and how it is spent. They will learn from your own example. If you are thrifty and cautious with money, this is the message they will receive.

Some helpful hints are:

- Have them do jobs to *earn* their pocket money.
- Set them up with a bank account or piggy bank and explain that if they want to buy something special they must have the money first.
- Get them to save a fixed percentage, for example 10%, from their pocket money for long term goals
- Explain the difference between debit and credit cards and how they work. Using a credit card means it must be paid for from their *future* income.
- Explain how spending as a result of peer pressure will impact on them in the future.
- When you buy them a mobile phone – let them pay for the calls from their own money.
- Let them make their own spending decisions so that they will learn from their mistakes.

Spending a little time with your children in their early years to teach them basic money facts, will go a long way to setting them on the right path to financial success in later life.

Helping you build yours.

