

MONEY COACH

By Simonne Gnessen, September 2005

I want to put a stop to the constant battle with the kids over toys and sweets when we're shopping. Do you have any tips on teaching kids about money?

Be honest with your kids about what you can and can't afford and explain that people work for money and there isn't an endless supply from the ATM machine. It's important is to be a good role model and to pass on strong messages about financial responsibility.

Kids are never too young to learn, and you can use everyday activities to show them how things work. Here are some ideas:

- Set a small weekly pocket money allowance, and show your kids how to buy things with their own money.
- Talk to them about the merits of saving up for something they really want and teach them about interest by rewarding them with, say, an extra 50p for every £5 they save.
- Be creative – make up games using play money.
- Get your kids involved in the weekly food shopping – talk them through the process from making a list to going through the receipt. You can use this process to teach them about budgeting.
- Talk to your kids about wants and needs, to help them distinguish between the two.

Wise Monkey Financial Coaching,
www.financial-coaching.co.uk. Tel: 01273 691223