

Year 2
PSHE Knowledge Organiser - Financial Capability

| Key Enquiry Questions: | |
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| How do we get money and what do we do with it? | <ul style="list-style-type: none"> • Children understand that we can receive and spend money in many ways. • Children know how to save and look after their money and why we might do so. • Children begin to understand the difference between wants and needs and the need for informed choices. |
| Who is affected by the money we spend and save? | <ul style="list-style-type: none"> • Children begin to understand family spending and the impact of choices • Children begin to understand and manage some of the changing feelings associated with money. |
| What are charities? | <ul style="list-style-type: none"> • Children have a simple understanding of what charities might do and why we have them. |

| Key Vocabulary | |
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| save | Keep and store up something (especially money), for future use. |
| spend | Give (money) to pay for goods and services. |
| earn | Obtain (money) in return for labour or services. |
| want | Have a desire to possess something. |
| need | Require (something) because it is essential or very important rather than just desirable. |
| family | A group of people related by blood or marriage. |
| bills | Written statement of the money owed for goods or services. |
| bank | A financial establishment that uses money deposited by customers for investment. |
| bank account | An arrangement made with a bank whereby one may deposit and withdraw money and in some cases be paid interest. |
| donation | Something that is given to a charity, especially a sum of money. |

| Unit Information |
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| <p>Understanding and managing our money is an important aspect of wellbeing. Research shows that, by the age of seven, children are aware of the impact of money in their lives. Teaching children about personal finance and to respect and manage money helps them to become financially capable and better able to meet the increasingly complex financial challenges that await them in the wider world. The ability to make financial decisions is a major aspect of identifying and making the best use of opportunities in today's changing world. Many of the least well-off in society are financially excluded, i.e. they have no access to financial products and services. Problems also arise when people fail to manage their money, which can lead them into a downward spiral of debt from which it is difficult to escape. Helping all children to become critically aware of the benefits and uses of appropriate services, and of ways of managing money and debt, are important steps towards achieving financial inclusion for all. To make much of this work accessible, it needs to be very practical, and a cross-curricular approach, which links this unit closely to the numeracy curriculum in particular, is recommended.</p> |