

Teachers' notes



Using the resource cards

For each session, pupils will need to see a copy of the Information card and its corresponding Activity card. Activities that require more than one Information card are indicated in these notes. For most activities, the pupils are asked to write on the Activity card itself; however, additional paper may be needed for some tasks. A summary of the content of each Information card is provided along with teaching notes for the corresponding activities.

The activities are designed for the children to work on largely independently. However, reading through each card as a class will support younger or less able pupils. New or difficult words are always marked in bold. These should be discussed during the activity. When new or difficult concepts are introduced, it is possible that pupils will not immediately grasp their meaning. This issue has been addressed in the structure and content of the pack. Each concept is introduced with an explanation and then re-visited as necessary in subsequent cards. The activities are designed to apply and reinforce the learning. Activities that require work in pairs or groups are

indicated in these notes. Some tasks could be completed as homework.

A poster including a glossary provides further support. This can be displayed prominently in the classroom for pupils to look at throughout the project.

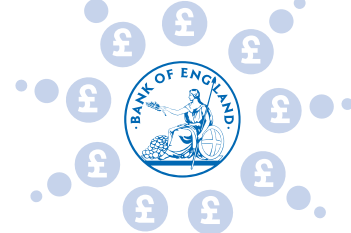
Using the video

The style of the video is that of a lively and upbeat young people's magazine programme. Two young presenters talk directly to the camera and, with the help of some simple humorous scenarios, explain the basics of each concept in an accessible and entertaining way.

The content is designed to bring the concepts explored in the print pack to life. Approximately 18 minutes long, it is divided into four modules lasting 4 to 5 minutes each. While the video can be shown in its entirety at the beginning of the project, and perhaps again at the end, it is recommended that each module be shown prior to the relevant sections of the pack to act as a stimulus for discussion.

The following table gives information on the content and intended learning outcomes of each video module:

Module number and focus	Recommended viewing	Intended learning outcomes	Card links
Module 1: What is money and how does it work? This covers why we need money, why we trust money and how money is designed and produced.	Show at start of project.	<ol style="list-style-type: none"> 1. Money is a measure of value. 2. Money can have many different forms and has done through history. 3. A successful currency must have general agreement on what it's worth and must be trusted. 	Information cards 1a, 1b, 2a, 2b, 3a, 3b Activity cards 1a, 1b, 2a, 2b, 3a
Module 2: What can you do with money? This covers spending, saving and borrowing, and the payment of interest.	Show prior to presenting Information card 4a.	<ol style="list-style-type: none"> 1. Money can be spent, saved or borrowed – each of these has different implications. 2. A definition of the word 'interest'. 3. How interest is something that can be paid or received. 4. How interest is calculated using a percentage. 5. The effect that a change in interest rates can have on spending. 	Information cards 3a, 4a, 4b Activity cards 3b, 4a, 4b
Module 3: What is money worth? This covers prices, changes in prices and inflation.	Show prior to presenting Information card 5a.	<ol style="list-style-type: none"> 1. How changes in demand and supply affect prices. 2. Definition of inflation. 	Information cards 5a, 5b, 6a Activity cards 5a, 5b, 6a
Module 4: Who controls the value of money? This covers why inflation needs to be controlled and how this is done (the Bank of England's 'trick' in setting interest rates).	Show prior to presenting Information card 6b.	<ol style="list-style-type: none"> 1. The roles of the Bank of England including how it controls interest rates. 2. How and why that affects spending across the country (how the 'trick' works). 3. How this can be used to control inflation. 	Information card 6b Activity card 6b



Information card

1a Money makes the world go round

Introduces the main concepts explored in subsequent resource cards, i.e. money as a means of payment; a way of storing wealth; a type of currency; a way of measuring value; and why we trust money.

Activity card

1a A world without money

Introduce the project and use a short class discussion to stimulate ideas. Ask pupils to share what they know about money and encourage them to suggest ways of defining it. Write some notes for later reference.

Show module 1 of the video and ask pupils to summarise the main points.

Read through Information card 1a as a class and help pupils to make links to the examples shown in the video. Explain that some of the ideas may seem a bit confusing, but that all will become clear as the project progresses. Ask pupils to think about what they use money for. Use their examples to reinforce the concept of money as a measure of value and as a form of payment; that it can be earned, spent and saved.

Ask pupils to think about how we would manage without money as currency. How we would 'buy' things or get 'paid' for working? How would we work out what things are worth? Emphasise the important issue of trust in money's value. Encourage them to use the terms appropriately.

Information card

1b Back to the beginning

Identifies the drawbacks of bartering as the first system of exchange to illustrate why currency was invented, i.e. to provide a form of payment and a way of measuring value and storing wealth.

Activity card

1b An easy exchange?

Read through Information card 1b as a class and use the listed problems of bartering as scenarios for the pupils to act out in different roles, e.g. one pupil imagines he or she has a cow and wants a barrel of wheat; another pupil is the neighbour who has some wheat and wants a cow, but doesn't feel a cow is worth a whole barrel. Can they find a way of working out a trade?

Draw pupils' attention to point 5 on the Information card which illustrates the problem of working out *relative* values (i.e. what things are worth in comparison to other things e.g. cows to sheep, sheep to pigs, etc.) when exchanging goods and services. While money does not solve this problem entirely – people still argue about the price of things in relation to others – it provides us with an easy way to work out *relative* values by acting as a unit of account. This means that prices are stated in

monetary units, not in terms of goods or services, making life a lot less complicated. Note that how prices are decided is a separate issue. This is dealt with on Information card 5a (Changing prices).

Ask pupils for examples of things they might barter. Ask them to explain in their own words how they make the swaps and prompt them to consider how they reach agreement about what things are worth.

Prior to the activity, ask pupils to suggest how Stone Age people could have decided what things were worth without using coins or notes. Encourage them to compare values (i.e. think about how much things are worth in relation to one another). How much is a bucket of milk worth compared to a cow? How much is milk worth compared to sheep? Use a feedback session for pupils to explain their ideas and consider the advantages and disadvantages of each. Emphasise that the problems they encounter illustrate why currency was invented.

Information card

2a The first steps towards currency

The history of money is used as a springboard to explore the advantages of using currency in place of bartering, i.e. using objects to represent value and act as a medium of exchange.

Activity card

2a Currency challenge

Pupils will need less preparation time for this activity, as many of the concepts in the previous card are being re-visited or extended. Read through Information and Activity cards 2a to introduce the idea of currency and discuss the advantages of using objects to represent value. Emphasise that in theory anything can be used as currency; that coins and notes are in some ways just bits of metal and pieces of paper.

Prior to the activity, pupils can act out the scenarios from the previous card using objects as 'money' to explore how currency works. Provide them with a selection of objects such as stones or shells or anything to hand such as pencils or rulers. Explain that they need to decide what each pencil, stone or shell is worth so they can buy or sell something. Prompt them to consider the advantages and disadvantages of their currency by asking: Is it easy to carry? Will it last a long time? How can you give change? Questions 4 and 5 could be discussed in groups. Use a feedback session to share ideas and identify any problems they encountered.

Information card

2b The first coins and notes

Summarises the advantages of using coins and notes as currency and re-visits the issue of trust.



Activity card

2b Spread the word

Pupils could work individually, then in pairs and then in groups of four for this activity, with each group of two presenting their ideas to the other group ('Think-Pair-Share'). Pupils will need an extra session to make the poster. Prior to the activity, ask pupils to summarise the main points in their own words to identify the advantages of using notes. Ensure they have understood the importance of using a common currency that people can trust.

Information card

3a 21st century money

Explores why 21st century money is an effective form of currency and why it can be trusted. Introduces the Bank of England.

Information card

3b Designing banknotes

Examines the design and security features of Bank of England banknotes.

Activity card

3a Design your own banknote

Pupils will need to go through Information cards 3a and 3b prior to this activity. Draw their attention to the development of modern banknotes and why they are no longer backed by gold to emphasise the issue of trust. Prompt them to recognise that we know our money will be accepted as payment because it is the agreed currency and we all trust it is worth the amount printed on it and that it is genuine. Bank of England banknotes are designed so that they can't easily be copied. Ensure pupils have understood that the Bank of England is no ordinary bank – it's the nation's bank. It has several important roles which will be examined in more detail later on.

Pupils can work in pairs to prepare for this activity. Provide each pair with a banknote and a magnifying glass. Emphasise that the notes have been counted and that each pupil who is given a note is being trusted with the responsibility for its safe return to you.

Use discussion to stimulate ideas for pupils to design their own banknotes either independently or in pairs. Prompt them to think of intricate designs that can't easily be copied but that could be accurately reproduced. An extra session could be used to search for information about each of the historical figures used on current banknotes, such as Charles Darwin, and for pupils to find information to justify the selection of their own illustrations (which could be famous authors, musicians, buildings, historical events, etc). Ask pupils to incorporate at least two security features in their design.

As an extension design and technology activity, older or more able pupils can be asked to test the suitability of using different types of paper and consider cost implications. Samples of different paper and prices can be requested over the internet from paper manufacturers. A series of simple tests can be identified to assess durability, e.g. writing on the paper using different inks; seeing how many times each piece of paper can repeatedly be folded or scrunched up into a ball before the writing becomes illegible and/or the paper starts to tear. Explain that banknote paper is made from cotton, which is very tough.

Pupils can produce a short report explaining the different aspects of their design, including their choice of paper. This can be displayed alongside the finished designs. Pupils could write a letter to the Bank of England explaining the purpose of each element of the design and justifying the merit of their chosen historical picture. Letters should be sent to the address given at the end of the Teachers' notes.

Information card

4a What can you do with your money?

Identifies different ways of handling money and making payments (cash machines, cheque books and electronic transfer) and encourages informed decision making about spending, saving and borrowing by explaining interest and how it is calculated.

Activity card

3b Time travellers' guide to 21st century money

Pupils will need to have read and understood Information cards 3a through to 4a to complete this activity. The Activity card asks a series of questions to enable pupils to plan the contents for a leaflet explaining the uses of 21st century money. Go through each question prior to the activity. Younger or less able pupils can work in an adult-led group for additional support.

Information card

4b Money-go-round

Explains how high street banks work – using money to create more money in the economy by making loans.

Activity card

4a Banker for the day

Show module 2 of the video and ask pupils to summarise the main points.

Pupils will need to have read and understood Information cards 4a and 4b to complete this activity. Pupils will need a basic understanding of percentages. Demonstrate how interest is calculated and provide additional examples depending on the pupils' abilities. Younger or less able pupils may need to work in adult-led groups. Older or more able pupils can be asked to re-calculate each problem using different interest rates.



You could also point out that the interest rate is higher for borrowing than lending.

It is important to stress that pupils should not be encouraged to borrow money or use credit cards, etc.

The answers are as follows:

- Mr Taylor will have £10.50 in his bank account at the end of year 1.
Add 5% of money in account in year 1 = £11.025 (remind pupils to round down). He will need to save for 2 years to have enough money to buy the present.
- Mrs Abdar will have to pay £1 interest after a year.
She will have to pay back £21 in total.
- If Mr Marino borrows £60 to buy the trainers, he should borrow from the bank on Steep Street because the interest rate is lower.
Mr Marino will have saved up £60 in 12 weeks.

Activity card

4b Competition jackpot

Pupils can act out the scenario from Information card 4b in mime to get to grips with how banks work. Ask the pupils to explain the 'money-go-round' in their own words. Discuss the competition scenario prior to the activity.

Go through the Activity card as a class to ensure that pupils have understood the tasks. Make sure pupils are aware that they can spend up to 50% and save at least 50%, but the rest is up to them. Younger or less able pupils can work in pairs or an adult-led group for support. If necessary, go through the activity with the class to demonstrate what you would do and make explicit the decision-making involved.

In a feedback session, ask pupils if there were any surprises when they worked out the actual cost. Ask pupils to consider what they would have done if the interest had been higher. Ask them to give reasons for their answers. Prompt them to differentiate between luxury and essential goods. Ensure that they have understood that a higher interest rate has a higher return.

Information card

5a Changing prices

Explores the effect of changes in demand and supply on prices, and how a price change might influence spending.

Activity card

5a A question of supply and demand

Show module 3 of the video and ask pupils to summarise the main points.

Read through Information card 5a and use a selection of goods (e.g. pictures or empty packets to represent a typical weekly shopping basket) to stimulate further discussion about prices. Take each item in turn and tell

them the price you paid. Ask pupils to suggest reasons why the price might change. Ask them to explain the change in terms of a change in demand or supply and the effect this will have on the price.

Once the activity is completed, you could develop the scenarios further, e.g. if there was a month of heavy rain just before Mother's Day and all the flowers were damaged, what might happen to the price of the flowers?

Information card

5b The value of money

Examines how a change in some prices may influence our shopping choices, in comparison to the effect of an overall price rise (inflation) on the value of money.

Activity card

5b What if?

Read through Information card 5b as a class. Go through each section and suggest alternative examples as necessary to illustrate each point. Ask pupils to share their experiences of shopping with their parents or carers. What happens when something has gone down in price? Do they always buy more of this item? If something has gone up in price will they still buy it? Refer to the goods used in the previous session and ask the pupils to consider what they would do if the price of everything had doubled. Encourage them to consider the effect this would have on the money in their pocket. Once the activity is complete, ask pupils to share their answers. Although pupils may not have made the same choices, ensure they have understood the common principles:

- Price changes will affect decisions about spending.
- A rise in all, or *many*, prices will de-value money – what it is worth.

Information card

6a Keeping an eye on rising prices

Explains the effects of inflation – a general rise in *all*, or *many*, prices – and emphasises why inflation needs to be controlled to ensure that the economy stays on a steady path.

Activity card

6a Comparing prices

Read through Information card 6a prior to the activity. Ask the pupils to share comments they have heard their grandparents, parents or carers make about prices. Some examples of price increases are as follows: large white sliced loaf was 14p in 1974 and is 61p today; 6 eggs were 21p in 1974 and are now 78p; a pair of jeans cost £13 in 1974 and are around £30 today. These are not actual prices. They are indicative of prices in 1974 and today, and are a guide to how prices have changed.



Ensure that they understand the limited effects of a small increase in prices across the board (i.e. low inflation), and the possible consequences of a large increase in all prices (i.e. high inflation). Use examples as necessary, e.g. if all prices went up by 10% but their pocket money stayed the same, would they still be able to buy the same amount of things?

Pupils can work in pairs or small groups to undertake task 1. They will need access to the internet and guidance on searching. Provide younger or less able pupils with a list of suitable websites where the information can be found. Task 2 can be given as a homework assignment. Provide an additional session to complete the final tasks.



6b The Bank of England

Outlines the Bank of England's main roles. The focus is on an explanation of how the Bank uses interest rates to influence spending (demand), thereby controlling inflation. This is referred to here as the Bank's 'trick'.



6b The interest rate trick

Use an additional session to recap on what the pupils have learnt before viewing the last module of the video and reading Information card 6b.

Divide the class into six groups and give each group a different Information card (the final group will only have side 'a' to work on). Explain that they are to take on your role as teacher and give a short presentation to the class to explain the main points on their card. Ask them to prepare by writing some summary notes on a large piece of paper that can be displayed. Older and more able pupils can prepare some sketches to accompany their explanations, e.g. card swapping to show the principle of supply and demand, etc. The presentations could also be held in assembly.

Show module 4 of the video and ask pupils to summarise its main points.

Read through Information card 6b as a class. Clarify any points as necessary. Ask pupils to explain in their own words how the trick works.

Pupils will need the support of working in pairs or groups to complete the activity. Read through the scenario as a class to stimulate discussion and ideas. Prompt pupils to recognise that the Stone Age people have found themselves in a position where there is 'too much money' and that this will lead to an increase in all prices. To avoid high inflation, they will need to control the amount of money being spent.

Possible answers:

1. What do you think happened?
Pupils need to explain that there was so much money being spent (demand) that the price of everything went up.
2. What could Stone Age people do to sort the problem out?

Pupils will need to explain the general principle of the Bank of England's trick: that by controlling the amount of money being spent (or in this fictional case the amount of shells available) by increasing the price of money – the interest rate – prices will remain stable. Some pupils may suggest that the Stone Age people need to find a way of making sure that the amount of money available meets demand. This could be done by putting a barrier around the island so that shells could not be washed up again or switching to another type of currency that cannot be made or found by others. Suggestions to set up a banking system based on making money from loans would allow them to charge and set interest rates which, in turn, would encourage people to think carefully about what they do with their money. If they made the interest rate high, they would encourage people to save more rather than spend (or borrow) money.

3. The correct order is as follows:
 2. People spend too much money (in other words, there is too much demand for things).
 4. The price of all, or many, goods goes up too much.
 7. The value of money goes down (it will buy less).
 8. The Bank of England puts the interest rate up for all other banks.
 1. All other banks put their interest rates up.
 3. With higher interest rates, borrowing costs more and savings pays more so people spend less and save more.
 6. People spend less and the demand for things goes down.
 5. Prices do not rise as much (lower inflation).

Literacy extension ideas

The origins of many common expressions can be found in history. Ask the pupils to read the text again and search for clues to answer these questions.

1. Where did our word 'cash' come from?
2. Where do you think the American term 'give us a buck' came from? Clue – buck is the name of a male deer.
3. Where do you think the term 'shelling out', meaning spending money, came from?

If you have any comments or queries about Pounds & Pence, please write to:
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Curriculum grid – England, Wales and Northern Ireland

Cards	PSHE/PSE & Citizenship	English	Maths	History	Design & technology / ICT
1a	Resources can be allocated in different ways 2j				
1b	Resources can be allocated in different ways 2j	Speaking and listening Speaking 1a, c Listening 1a, b, c Group discussion and interaction 3a	Solving numerical problems 4a, b	Use dates and vocabulary relating to the passing of time 1b About characteristic features of the periods 2a To identify and describe reasons for, and results of, historical events, situations and changes 2c To describe and make links between events, situations and changes 2d Communicate their knowledge and understanding in a variety of ways 5c	
2a	Resources can be allocated in different ways 2j		Solving numerical problems 4a, b		
2b		Speaking and listening Speaking 1a, c Listening 1a, b, c Group discussion and interaction 3a Writing Composition 1a, 1c, 1d Planning and drafting 2a, b			D&T Developing, planning and communicating ideas 1a, b, d Evaluating process and products 3c
3a	Resources can be allocated in different ways 2j	Writing Composition 1a, 1c, 1d Planning and drafting 2a, b			D&T Developing, planning and communicating ideas 1a, b, d Evaluating process and products 3c
3b	Pupils taught to look after their money 1f Resources can be allocated in different ways 2j	Writing Composition 1a, 1c, 1d Planning and drafting 2a, b			D&T Developing, planning and communicating ideas 1a, b, d Evaluating process and products 3c
4a	Pupils taught to look after their money 1f Resources can be allocated in different ways 2j		Using and applying numbers 1a, b, e Numbers and number system 2f Calculations 3k Solving numerical problems 4a, b, c Written methods 4m		
4b	Pupils taught to look after their money 1f Resources can be allocated in different ways 2j Make real choices and decisions (e.g. how to spend money) 5d	Speaking and listening Drama 4a	Using and applying numbers 1a, b, e Numbers and number system 2f Calculations 3k Solving numerical problems 4a, b, c		
5a	Resources can be allocated in different ways 2j	Speaking and listening Speaking 1a, c Listening 1a, b, c Group discussion and interaction 3a			
5b	Resources can be allocated in different ways 2j Make real choices and decisions (e.g. how to spend money) 5d	Speaking and listening Speaking 1a, c Listening 1a, b, c Group discussion and interaction 3a	Solving numerical problems 4a, b, c		
6a	Pupils taught to look after their money 1f Resources can be allocated in different ways 2j		Using and applying numbers 1a, b, e Numbers and number systems 2f Calculations 3k Solving numerical problems 4a, b, c	Use dates and vocabulary relating to the passing of time 1b About characteristic features of the periods 2a To identify and describe reasons for, and results of, historical events, situations and changes 2c To describe and make links between events, situations and changes 2d Communicate their knowledge and understanding in a variety of ways 5c	ICT Find and use appropriate information 1a Monitor events and respond to them 2b
6b	Pupils taught to look after their money 1f Resources can be allocated in different ways 2j Make real choices and decisions (e.g. how to spend money) 5d	Speaking and listening Speaking 1a, c, d, e, f Listening 1a, b, c Group discussion and interaction 3a Drama 4a, b Writing Composition 1a, c, d Planning and drafting 2a, b			

Curriculum grid – Scotland (Level C/D)

Cards	PSD	English Language	Mathematics	Environmental Studies	Expressive Arts
1a	✓	✓			
1b	✓	✓		✓	
2a	✓	✓		✓	✓
2b		✓		✓	✓
3a		✓		✓	
3b	✓	✓			
4a	✓	✓	✓ (Level D)		
4b	✓	✓	✓ (Level D)		
5a	✓	✓		✓	
5b		✓		✓	
6a	✓	✓	✓	✓	
6b	✓	✓		✓	

This pack also takes account of the Scottish Curriculum for Excellence outcomes and experiences. The main curricular areas covered fit with level 2 guides for Numeracy and Mathematics.