



Ka-Ching! Talking money with kids

Parents and guardians want to send children out into the world armed with the skills and knowledge they need to succeed. So we talk to them about the birds and the bees, we teach them to catch a ball and drive. But oddly, many of us never talk to them about money and how to manage it. Here are a few simple tips for passing on good money habits.

Earlier the better

If you're wondering when to start a child's financial education, here's the answer: today. Every lesson in financial responsibility, no matter how small, can help shape a child's view of money, its value and how it should be used. They'll pick up on ideas like not spending more than you have by listening to you and watching how you act. Once those basics are in place, you can take them to the next level with practical applications – like earning money with chores and saving for something they want. Good habits picked up early in life will stay with them and help determine their future relationship with money.

Start them off at home

There are a number of ways you can help kids get used to handling money and budgets. And it's important to remember that any practice is good practice. Lunch money might be a good place to start. If you usually give them a daily allowance, try changing to weekly or monthly. Then keep checking in to see how they're doing and if they're managing to stay on track. If they're a bit older, you could set them up with a transaction account. It's a good way to get them thinking about budgets, outgoings and living within their means.

Let them see you doing it

Setting a good example is a sure-fire way to pass on good financial behaviour. So while you've got the kids at the shops, show them what you're doing and why. Explain why you're buying extra units of a sale item to save in the long run. Or how coupons can help bring prices down. Once you explain your behaviour and they understand it, it'll be reinforced every time they see you do it.

Let them learn by doing

One of the best ways to teach kids is to set practical financial tasks for them to complete. For example, you could put them in charge of the family's meals for the week and give them a budget to shop with. Show them how they can save on some items (by buying own-brand or sale items) so they can spend more on others. They'll get it wrong at least once, but that's ok! It's as much of a learning experience as getting it right. Just show them where they went wrong and let them try again.

Source: *ING*

We will guide you with a tailored approach that works for your circumstances. Give us a call on 4927 4588 (Rockhampton) or 4939 1766 (Yeppoon) to see how we can help.



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