

# Laurel Avenue Young Saver Account

## The perfect way to start the savings habit!

Laurel Avenue runs the Credit Union Young Saver Account scheme.

If you would like your child to open a savings account, then please follow these simple steps:

1. Complete the attached form. You start with completing your child's details and then your own, as a trustee of their account. There will need to be an identity check carried out, but this can be done simply online, as long as you tick the yes box. You do not need to bring any identification into School. It is only your identity that will be checked online, nothing else. Then sign the form and send it into school with your child. Please don't send any savings into School yet.
2. We will then ask you to send money into school with your child and their account will be opened. They will receive a bank book showing their total which they will bring home with them. This bank book will need to be brought in to School with their savings weekly. It doesn't matter how much or how little is saved.



Children are able to take money out of their account whenever they like, with only one week's notice so that the money can be withdrawn to be given back to them.

The banking is carried out on a set day each week – Tuesday- however, end of the week Nursery children may bring their savings into school and their money will be kept securely in the safe until the following Tuesday.

Adults can have a Saver Account too. If an adult would like to open an account, please collect a form from the office to complete before opening your account.

## **Pocket money**

All parents / carers have different ways of deciding on levels of pocket money and how it is given. It's never too early for a child to earn their money and save up for something special themselves. It's also a great way to get them started in developing money management skills. Encourage them to save some of their money (perhaps give them a goal to aim for) and spend the rest, that way they won't get too fed up and will be able to see saving as a positive activity rather than a bore! There are lots of little jobs around the house that they can get involved in e.g. washing up / drying dishes, keeping their rooms tidy, putting their dirty clothes in the washing basket to name but a few. Decide on a rate together for different jobs, be consistent and give out pocket money on the same day each week. Reward good behaviour or other achievements with treats or extra pocket money.

## **Piggy bank or bank**

Younger children will enjoy saving in a piggy bank. However, they need to know they will not earn any interest on this money. Opening a bank account with your child is another good way of introducing them to the concept of saving. Obviously, they will not be able to access their money so easily but at least they will begin to have some understanding of the way a savings account works and how it can benefit them.

# Helping your child to understand money and saving

It's never too soon for children to learn about the value of money and the concept of saving money. Money isn't a piece of elastic although this is exactly what some children think, so it's never too early for them to learn about the real value of money. Communication plays a big part in helping to develop good habits and understanding about managing money in everyday situations. Talking to your child from an early age and teaching them to differentiate between saving and spending money will form the basis of good money management skills that will hopefully stay with the young person, as they become adults themselves.

## *So what can you do?*

### **Shopping trip**

Obviously, on a trip to the local supermarket you will be spending money but you can discuss ways of saving money too. Discuss the items on your shopping list and encourage your child to help you check out the best value deals available. Remind them to stick to the shopping list and not be swayed by offers that you don't actually need as this would end up being false economy and possibly cost more rather than less! Don't forget to ask them to check the weights too, to help make decisions.

Talk about payments and the different methods available. You might usually use cash but sometimes prefer to use your debit or credit card. Explain the difference to your child especially about the way a credit card works so they don't grow up thinking they can buy anything they like with one! They need to be aware that it can be like borrowing money, which has to be paid back, sometimes with interest unless the full amount is paid back each month.

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