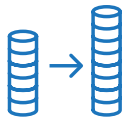




MAKING MY
Money Grow

TOPIC FIVE: MAKING MY MONEY GROW



MAKING MY Money Grow



Learning Goals



Materials

OVERVIEW

In this topic Guides are introduced to the concepts of risk and reward and apply them to the choices in their everyday lives. Guides explore their attitudes to risk. Guides are also introduced to investing, which provides methods for growing savings and helps to achieve financial goal. The majority of this topic is suitable for Girl Guides aged 10 years and over. Younger girls may play Junior Monopoly™ if you can source a game set. IMPORTANT! Girls must complete Topics 1,2 and 4 to be able to successfully undertake this topic.

Time needed: Minimum 1 hour 15 mins

This topic also provides options for multi-session activities that can be run over 2 meetings or a weekend.

KEY LEARNING GOALS

1. Guides understand the concept of financial risk and reward
 - ▶ risk is the possibility of a variety of outcomes occurring
 - ▶ reward is the benefit from taking risk
 - ▶ attitudes to risk are personal
2. Guides learn that
 - ▶ investing is a way of making savings grow
 - ▶ savings in a bank, buying property, and buying shares are some ways that money can be invested
 - ▶ every investment has a level of risk
 - ▶ financial risk is the chance of losing money
 - ▶ financial reward is the amount of money made

MATERIALS

Guide units will need to provide the following items for program activities:

- ▶ Buckets per unit
- ▶ Small balls (e.g. table tennis balls) – 2 balls per Guide (1 each of different colours)
- ▶ Guide Your Money Board game template – 1 per patrol
- ▶ Guide Your Money money quiz cards – 1 set per patrol
- ▶ Die – 1 per patrol
- ▶ Token – 1 per girl
- ▶ Play 'money' – e.g. beads, blocks, or you may print out money template and cut up – 5 pieces per Guide
- ▶ Pens, textas, coloured pencils
- ▶ Packets of stickers or stars – 30 stickers/stars for each Guide
- ▶ Option: Junior Monopoly™ - 1 set per patrol

Optional: For Life-sized board game

Choose an option:

- ▶ Chalk
- ▶ Rope and tent pegs
- ▶ Rope and heavy duty tape. Plus one set per group doing the activity (patrol or unit)
- ▶ Pens/pencils
- ▶ Paint
- ▶ Cardboard boxes
- ▶ Craft materials
- ▶ Foam rubber
- ▶ Dress ups

SETUP

Ups and Downs and Junior Monopoly™ may be played in patrols on the floor, or if available, on separate tables with chairs around the tables so that the Guides can play comfortably. The life-size version of the Guide Your Money board game is played in a large cleared space, either indoors or outdoors.



ACTIVITY

1

INTRODUCTION: RISK AND REWARD

 **5 MINUTES**

Recap briefly on what you have done so far in the Guide Your Money program, including your last session – in that topic, girls looked at saving, how interest can make their savings grow and what happens when we borrow money. Introduce this topic, during which girls learn more about ways to make their money grow.

BUCKETS AND BALLS

Instructions

Place three buckets on the floor lined up in a row, with about a metre between each bucket. Give each girl 2 balls, each of a different colour.



Nominate which bucket signifies 'HEAPS!' and which bucket signifies 'NOT AT ALL' as above.

Choose a ball colour for the girls to use for the 'RISK' question. They will use the other colour for the 'REWARD' question.

Ask the girls to place the 'RISK' coloured ball in whichever bucket they choose to respond to this statement:

- ▶ I understand what financial risk means

Ask the girls to place the 'REWARD' coloured ball in whichever bucket they choose to respond to this statement:

- ▶ I understand what financial reward means

Alternatively, the activity can also be done using two colours of sticky notes on three marked points along the wall.

Record the number of balls of each colour in each bucket using the worksheet provided.

NOTE: You will need to do this activity again at the end of the meeting as part of your evaluation.

Have a brief discussion to gauge the girls understanding and feeling about risk and reward.

Discussion prompts:

- ▶ What do you think a risk is? (Any kind of risk, not just financial)
- ▶ How does it feel to take risks?
- ▶ What is a risk you might take on an ordinary day?
- ▶ What might be a risk you only take in special circumstances?
- ▶ What do we mean by reward?
- ▶ What would be the reward for the risk you would take on an ordinary day? In special circumstances?



Leader's Notes

INVESTING

Note that in general this topic is suitable for Girl Guides aged 10 years and over. Younger girls may play Junior Monopoly™ while older girls complete another activity, and with some assistance from older girls, may also participate in the Guide Your Money game.

Risk and Reward

This **Buckets and Balls activity** will also be completed at the end of the meeting as part of the evaluation. It is a benchmark setting activity to support the evaluation of learning outcomes

Guides learn that:

- ▶ risk is the possibility of a variety of outcomes occurring
- ▶ reward is the benefit from taking risk

For example, in a basketball game, players score two points for a goal thrown from inside the ring, and three points for a goal thrown from outside the ring. The risk for a basketball player who decides to take a shot from outside the ring is the possibility of two outcomes

- ▶ missing the shot since the hoop is further away, or
- ▶ getting three points if the ball goes in

If the shot goes in, the reward for the player is three points. If the shot misses, there is no reward for the player.

Guides will find that there is a range of everyday decisions where they balance risks with potential rewards.

Guides realise that understanding the concepts of risk and reward is essential for making informed decisions.



MAKING MY MONEY GROW

ACTIVITY SHEET 2

ACTIVITY

2

UPS AND DOWNS

Guides play the Ups and Downs game to explore their attitudes to risk and reward in two scenarios:

1. when they have something to gain
2. when they have something to lose

Patrols sit in circles around the room to play.

Introduce the game: Guides will play a game in which they will attempt to gain as many stickers as possible through making decisions about taking or not taking risks.

Instructions:

- ▶ Everyone starts the game with the same number of stickers and it is in their best interest to gain as many as possible in the rounds of the game.
- ▶ The game is played in two sets of three rounds each.
- ▶ The first three rounds are about taking a risk to receive a 'gain'.
- ▶ The second three rounds help Guides understand how they may think differently if there is a risk of losing.

First three rounds: 'Gaining Value'

1. Distribute five stickers to each girl.
2. Patrol leaders will hold the extra stickers that can be gained by playing the game
3. Each girl will visit the patrol leader a total of three times to play the game
4. On each visit girls have two options:
 - ▶ Choose to roll the die with positive or negative consequences
 - Roll an even number and you will double your stickers
 - Roll an odd number and you receive nothing
 - ▶ Choose not to participate in the game and receive 2 stickers.
5. Play this variation of the game for three rounds.

Second three rounds: 'Loss Aversion'

1. Each girl retains the stickers they gained.
2. Each girl will again visit the patrol leader a total of three times to play the game



30 MINUTES

3. On each visit girls have two options:
 - ▶ Choose to roll the die with positive consequences
 - Roll an even number and you will receive extra stickers - as many extra stickers as the number you roll
 - Roll an odd number and you receive nothing
 - ▶ Choose not to participate in the game and you will lose a third of your stickers.
4. Play this variation of the game for three rounds.

Afterwards

Ask the girls to talk about the choices that they made in the first part of the game:

- ▶ Who decided to take the guaranteed money?
- ▶ Who decided to take a risk and try to gain more?
- ▶ What made you decide on the option you chose?
- ▶ How did you feel when you were taking a risk? Excited? Nervous?

When the rules changed:

- ▶ Who changed the way that they played the game? Why?
- ▶ Who decided not to play?
- ▶ Did you feel differently when you were playing the second round?

Wrapping up the discussion

- ▶ Our attitudes to risk are personal - there is no right or wrong attitude to risk
- ▶ We all have different attitudes to risk and reward and behave in an individual way when confronted with decisions
- ▶ Our risk/reward decisions are contextual - we often behave differently when there is nothing to lose, vs when there is the potential to lose something
- ▶ It is important to have the information that helps you to understand the context. Then you can make a choice about how and when to take risks or not take risks.



Leader's
Notes

UPS AND DOWNS

Guides recognise that they may have a different attitude to risk when they have something to gain compared to when there is the potential to lose something. Risk/reward decisions are contextual, i.e. people behave differently when there is something to gain, compared to when there is the potential to lose something.

Attitudes to risk are personal; there is no right or wrong attitude.





MAKING MY MONEY GROW

ACTIVITY SHEET 3

ACTIVITY

3

INTRODUCTION TO INVESTING



VARIOUS TIMING OPTIONS: 30 MINUTES - TWO 1 HOUR SESSIONS

Remind the girls that they have examined saving, compound interest and now learned a little about risk and reward. Introduce this session's focus – making money grow through investing. Explain property and share investments in simple terms and have a brief discussion about investing. Refer to Leader's Notes.

Discussion prompts:

- ▶ What do you think are some of the risks of investing money?
- ▶ If you had money to invest do you think you would choose to do this?
- ▶ What would you invest in and why?

The Guide Your Money game board, templates and full instructions can be found at the back of this Activity Guide.

Activity option A

Guide Your Money Board game

Timing: 30 minutes

Guides play a game of 'Guide Your Money' – a board game that draws on the learning from topics 1-5.

During and after the game discuss with the girls how the game is being played and what choices are being made.

OR Afterwards ask girls to think how they played and report back to the whole group.

Activity option B

Junior Monopoly™

Timing: 30 minutes

During and after the game discuss with the girls how the game is being played and what choices are being made.

OR Afterwards ask girls to think how they played and report back to the whole group.

Activity option C

Timing: 2 x 60 minutes

Guides build and play a life-sized game that focuses on the concepts in the Guide Your Money program – saving, spending, borrowing, and investing.

Full instructions are provided at the end of this Activity Guide

Session 1

Timing: 60 minutes

Using the instructions provided at the end of this Activity Guide, girls create the game 'board' and game pieces using craft materials. There is scope for the game to be created for play indoors or outdoors.

Session 2

Timing: 60 minutes

Play Guide Your Money

Once the game has been created, the game could be one of a number of activities that all patrols rotate through in turn the game OR the whole unit could play with patrols working as teams, with one member representing them on the board.

Afterwards ask the girls to share their experience of playing the game.

- ▶ What did they learn?
- ▶ What did they remember from previous sessions?



Leader's Notes

INTRODUCTION TO INVESTING

Investing is a way of making money grow. Guides were previously introduced to growing money through compound interest on savings. There are other ways to make money grow, such as buying property and buying shares in a company. While these are not relevant to the Guides now, they will familiarise Guides with some of the concepts that girls can build on when they have opportunities to grow their money in the future.

Property

Investing in property means buying houses or apartments and renting them out to tenants. Investors who own houses or apartments earn rent and hope that over the years the price of the house/apartment will rise higher than what they paid for it. The increase in the price and the rent paid by tenants is how property investors make their money grow. Risk is involved as a property may not be able to get tenants which means no rent will be received, and property prices can fall.

Additional information: Guides may ask why the price of houses/apartments go up or down. The answer is that it depends on how many people want to live in that neighbourhood and are willing to pay more to live there. People may want to live there because:

- ▶ they want to be close to their jobs or their kids' schools
- ▶ they want to be close to public transport
- ▶ they want to live near their family
- ▶ they want to be close to the beach, a park, etc

There are many reasons why people choose to live where they do.

Guide leaders will appreciate that there are many factors that influence house prices, particularly interest rates, however, these are outside the scope of this learning program.

Shares

Buying shares in a company means that the investor owns a small part of that company. If the company makes money (profits), the investor may share in those profits by receiving dividends. If the company's profits rise, so does the price of the shares. In the share market, prices rise and fall every day. When investing in shares, investors hope that over the years, the company will become much more valuable than it was when the shares were bought. That is how share investors make their money grow. There is risk involved as not all companies' profits rise. The company can stop paying dividends and share prices can fall.

Additional information: Guides may ask why share prices rise and fall. The answer is that it depends on how many people want to buy or sell the company. More buyers than sellers will make the price go up, and more sellers than buyers will make the price go down. For example, people may want to buy a company if it has released a new product that is in high demand such as a new Disney movie or a new iPhone because they believe the company will make a lot of profit on their new products. On the other hand, people may want to sell a company if it was a gold mining company that had run out of gold in their mines, because they believe that the company will no longer have strong profits.

Guide leaders will appreciate that there are many economic factors that influence share prices, however, they are outside the scope of this learning program.

Leaders who are interested, can learn more about investing from the Investing topic in the Guide Your Money Independence program or visit ASIC's MoneySmart section on Investing <https://www.moneysmart.gov.au/investing>

Activity option A

In playing the 'Guide Your Money' board game, Guides are reminded that:

- ▶ budgets must balance
- ▶ savings grow with interest
- ▶ borrowings have to be repaid
- ▶ investing is a way of making money grow
- ▶ investments have risk and reward

Junior Monopoly™ demonstrates investing through buying property. Although the focus is on property, the game presents learnings that are applicable to all types of investing. A discussion about the game should be ongoing while it is being played.

Players make personal decisions on their level of risk whenever they are faced with a purchasing decision – is it worth spending that much money to get the chance to earn future rewards?

Players are confronted with decisions about:

- ▶ when to buy and when to pass, i.e. making a conscious spending decision
- ▶ the likelihood of other players landing on their property
- ▶ the chance of being able to purchase the other properties of the same colour and hence be able to develop them in the future
- ▶ how much cash to keep to be able to afford to develop their properties
- ▶ how much cash to keep to pay rent on other players' properties
- ▶ whether the property is good value for money i.e. is the potential return worth the initial cost
- ▶ which properties offer the best earning opportunities to provide a regular stream of income
- ▶ how many properties to purchase to secure a regular income stream;
- ▶ how many different properties to purchase, increasing the likelihood of players landing on them, ie diversification of their investments
- ▶ players learn that utilities offer a steady regular income

Players who do not keep enough cash to pay rent will be forced to sell properties back to the bank at a much lower price than they paid for it, hence making a loss on their investment.



MAKING MY MONEY GROW

ACTIVITY SHEET 4

ACTIVITY

4

BUCKETS AND BALLS

 5 MINUTES

Instructions

Repeat the buckets and balls activity that the girls did at the start of the meeting. The outcomes of the repeated activity provide an understanding of the learning outcomes achieved in this topic.

Place three buckets on the floor lined up in a row, with about a metre between each bucket. Give each girl two balls, each of a different colour. Note, if you used marks on the wall and stickers at the start of this topic, please use the same setup for the repeat of the activity.



Nominate which bucket signifies 'HEAPS!' and which bucket signifies 'NOT AT ALL' as above.

Choose a ball colour for the girls to use for the 'RISK' question. They will use the other colour for the 'REWARD' question.

Ask the girls to place the 'RISK' coloured ball in whichever bucket they choose to respond to this statement:

- ▶ I understand what financial risk means

Ask the girls to place the 'REWARD' coloured ball in whichever bucket they choose to respond to this statement:

- ▶ I understand what financial reward means

Record the number of balls of each colour in each bucket using the worksheet provided.

Return to the discussion points from the beginning of the session. Ask the girls whether they have changed their mind about these points risks and rewards, and if so why.

Wrap up the session

Take a few moments to conclude the session by recognising that the girls have learnt about saving, earning interest and borrowing. Refer back to the Heads and Tails game and ask whether the girls changed their answers from the first round and why. You may also wish to let girls know what topic you will look at next time you do Guide Your Money program activities.

MAKING MY MONEY GROW

EVALUATION WORKSHEET



Evaluation
Template

MAKING MY MONEY GROW

Date		
No. of Guides	Age Range	No. of Leaders



Learning
Goals

KEY LEARNING GOAL

1. Understand the concepts of financial risk and reward

ACTIVITY 1 AND 4: BUCKETS AND BALLS

Record the number of balls in each bucket – bucket at one end = heaps.

Bucket at other end = nothing at all.

Statement	START of Meeting			END of Meeting		
	1 (low)	2	3 (high)	1 (low)	2	3 (high)
I understand the idea of financial risk						
I understand the idea of financial reward						

If girls responded differently at the start and the end of the meeting, why did they answer differently?
Please record the girls' responses here.

Based on your observations and the activities during the session, what proportion of Guides...

understood the main concepts (see learning goals)? (tick one)

Fewer than half
 Half to two thirds
 Around three-quarters
 All/Almost all



GUIDE YOUR MONEY GAME

EQUIPMENT

- ▶ Board – or make your own life sized version using the instructions below.
- ▶ 1 die
- ▶ Tokens – 1 per player
- ▶ Play 'Money' – options include paper money, plastic coins or discs, beads, blocks
- ▶ Money quiz cards – provided on a template to print and cut out.

PLAYING RULES

1. Each player chooses one token to represent her while traveling around the board. When playing the life-sized version the player moves around the board herself.
2. Each player starts with five pieces of play 'money'.
3. Place all players' tokens on the START
4. Players may choose whether to go left or right, but must continue in the direction that they choose.
5. Roll the die and move the number of spaces that you roll.
6. Directions for game squares:
 - ▶ Savings: Your savings are growing = Move two spaces forward
 - ▶ Savings: You've earned interest! = Move one space forward
 - ▶ Borrow: Roll the die again to see how much you will borrow = Collect that number of extra pieces of money.
 - ▶ Pay back what you've borrowed = If you landed on the BORROW space what did you roll? Move back this number of spaces plus 1 more for interest charged.
 - If you did not land on the BORROW space you have nothing to pay.
 - ▶ Shopping spree = Move one space back
 - ▶ Budget over spent = Move two spaces backwards
 - ▶ Check your investments! Roll the die again.
 - If the die lands on an EVEN number (2, 4 or 6): - Your investments are growing. Move forward that number of spaces
 - If the die lands on an odd number (1, 3 or 5): Your investments have lost money. Move back that number of spaces.
 - ▶ Money quiz = Player to the left selects a money quiz card and reads it to the player whose turn it is. Answer the question correctly and you can roll the die and move forward next turn. If you don't answer the question correctly, miss a turn.

LIFE SIZED GUIDE YOUR MONEY GAME

Materials

- ▶ Option 1 – Rope and tent pegs
- ▶ Option 2 – Rope and heavy duty tape
- ▶ Option 3 – Heavy duty tape
- ▶ Option 4 – Coloured chalk
- ▶ Pens and pencils
- ▶ Paint
- ▶ Paper
- ▶ Cardboard boxes
- ▶ Craft materials
- ▶ Foam rubber
- ▶ Dress ups

Instructions

1. Choose your option for laying out the game indoors or outdoors. Use a minimum space approximately 6 metres x 6 metres or larger depending on the size of your group.
2. Write and draw each of the game squares on cardboard boxes (or sides of boxes) and put them in place along the tape/rope using the game board as a guide.
3. Use craft materials and dress ups to create life-sized 'token' costumes for every player. If you have a large group you may wish to play in teams and make one costume per team. Make sure everyone in your team has a go at playing on the board.
4. Make a giant die out of foam rubber, carving or drawing the dots on each side.
5. Make or find a money quiz box to put the cards in, for each corner. You will need 2-4 sets of quiz cards.



MONEY QUIZ CARDS

Cut Up 2-4 Sets Per Patrol

What is a principal?

Answer: A principal is the amount of money invested

What is simple interest?

Answer: Simple interest is paid on the principal only

What is compound interest?

Answer: Compound interest is paid on the principal plus any interest already earned.

What is a budget?

Answer: A budget is a plan to track money earned and money spent

If you leave your savings in the bank over time, what can you earn?

Answer: Interest

What are 'shares'?

Answer: Shares are a small part of the value of a company that people can own.

True or false? Someone who manages money well never takes risks

Answer: False. Decisions about risk and reward are personal and there are no right or wrong decisions but you should consider the possible outcomes/consequences

Which kind of interest earns more over time – simple or compound interest?

Answer: Compound interest

If you borrow money, you have to pay it back - what else do you usually have to pay as well?

Answer: Interest

What is a need?

Answer: Something you need to live such as food, water, shelter, clothes, transport

What is a want?

Answer: Something you would like to have but can live without

Name a place that you can safely keep your savings.

Answer: A bank

What is investing?

Answer: Investing is putting your money into business, shares, property, hoping to make your money grow.

Name something that might influence what you want to buy.

Answer: advertising, famous people, friends, family, price, value for money, need, want

What is a balanced budget?

Answer: A budget is balanced when what you earn is equal to (or less than) what you spend

Who needs a budget?

Answer: anyone who earns and spends money

What is a 'risk'?

Answer: Risk is the possibility of different outcomes from one action

What is a 'reward'?

Answer: A reward is a benefit you can get from taking a risk



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APPENDIX 3



Printable Template

GUIDE DOLLARS

