

# Introducing the four pots method



Hi! My name is Simon and as a parent of three children it was important to me that they understood the importance and value of money.

I would like to share with you my tried and tested 'four pots' technique which not only helps your children to save but also understand helping others too.

## What is the four pots technique?

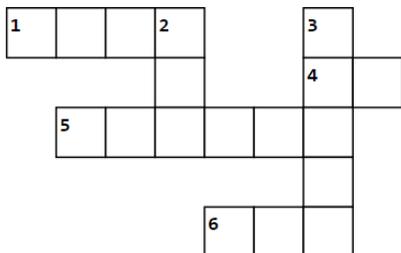
Using their pocket money, the four pots technique is a process designed to teach children:



## Okay, so how much pocket money should there be?

There really is no right answer here. Many parents base the amount on the age of the child, per week. This may be 50p, £1 or even £2. Personally, I prefer £1 per week per year of age.

## Crossword



1. You could earn pocket money when cleaning these. (4)
2. You hope this shines when you are on holiday. (3)
3. Whose face is on all British coins? (5)
4. Where a house takes off thanks to some balloons. (2)
5. Give to charity. (6)
6. What happens when you score the most points? (3)



Teach children the joy of giving by putting 10% to one side to give to a charity – such as [www.loros.co.uk](http://www.loros.co.uk) - or a good cause

How much of pocket money? **10%**

This money can be spent instantly, or saved for a week or two, maybe for holiday money, and can be spent on anything.

The child will appreciate this independence and will also learn, again, about values.

How much of pocket money? **30%**



A special purchase, the "better" pair of jeans or bicycle. This can be into a money box, a building society or bank account, or even a parent-controlled account using pre-paid cards that are designed just for children.

How much of pocket money? **30%**

The longer-term element of pocket money. Start discussing future needs such as a car, a house or holiday. Then "invest" in something, which is also fun to watch.

At a young age, and until funds reach at least **£100**, I suggest a decent building society account. Perhaps then National Savings Premium Bonds, before stepping up to purchase £100 worth of Disney, Coca-Cola or Sony shares, which can then be followed, for better or worse (these are not recommendations, merely examples). The longer-term saving is important and I stress again, this can still be fun!

How much of pocket money? **30%**



How many pennies are there in £1.00? Colour in your answer.



10

100

1000

Draw a picture of what you are saving up for below.



S	I	A	B	L	A	S	T	O	F	F	T	Z	I
W	S	L	A	L	O	R	O	S	A	V	E	I	P
A	I	U	I	B	R	C	C	A	O	N	K	A	I
N	T	M	N	D	N	R	A	V	N	O	C	E	H
S	M	A	T	T	I	O	L	I	W	O	O	D	S
Y	O	T	T	I	D	U	D	N	S	E	R	X	E
M	O	N	E	Y	Y	N	A	G	O	R	J	D	C
N	N	U	H	X	E	D	Y	R	J	L	A	I	A
L	A	P	A	E	C	A	P	S	A	J	S	T	P
Y	G	L	B	U	A	V	A	T	I	G	E	R	S
X	A	L	E	I	C	E	S	T	E	R	O	H	T
G	E	G	L	N	Y	B	G	U	R	I	A	A	E

Blast off  
Galaxy  
Leicester  
LOROS

Rugby  
Mattioli Woods  
Money  
Saving

Moon  
Rocket  
Round  
Tigers

Spaceship  
Stars  
Sun  
Space



Spot the difference!

Can you spot the 5 differences between the 2 images?



Mattioli Woods plc