Family Literacy First

Activity Book

Module 12: Basketball Dreams

Welcome to *Family Literacy First*, a program created to bring together parents and children to have fun while learning as a family. Developed by ABC Life Literacy Canada with the understanding that parents are a child's first and most important teacher, each Module takes the entire family on an exciting journey to learning.

This *Numbers & Cents* module introduces family financial literacy with activities for the whole family to enjoy together.

FamilyLiteracyFirst.ca

ABC LifeLiteracyCanada

Numbers & Cents

Story

Basketball dreams

When the buzzer went off, four seconds went by. Parker's heart was pounding as he watched the basketball bounce three times off the rim before it finally fell through the basket. The Mounties, Parker's favourite basketball team, had won! Holy moly! Those four seconds were long enough for Parker to vow that he would be a basketball player one day.

He had to get a better ball and better shoes. If Parker, aged 10 and 3/4, was going to be a professional basketball player, he needed professional basketball shoes and a real leather, state-of-the-art basketball.

But then he checked out the prices online. The shoes Parker wanted were $100 and the basketball was $120!

"How can a basketball cost more than shoes?" Parker sighed. Discouraged, he called over his friend Declan, and the boys put on their old sneakers, grabbed Parker's old basketball, and headed to the park. They practiced their basketball moves, like defence, lay-ups, and shots. Then they went to the corner store to get a drink and a bag of chips, and sat down to think about what to do.

"I get an allowance each month for doing chores," Parker said.

"Me too," Declan said. "But even if we split the cost of the ball, you won't have enough for shoes."

Declan went home for lunch. Parker's Uncle Nate came to walk Parker home.

"Why so glum, chum?" Uncle Nate asked.

"I want to become a professional basketball player," Parker said.

"Is that right?" Uncle Nate said.

"But I can't **afford** the shoes and the basketball," Parker said, "and I need to buy both in order to make it to the professional league."

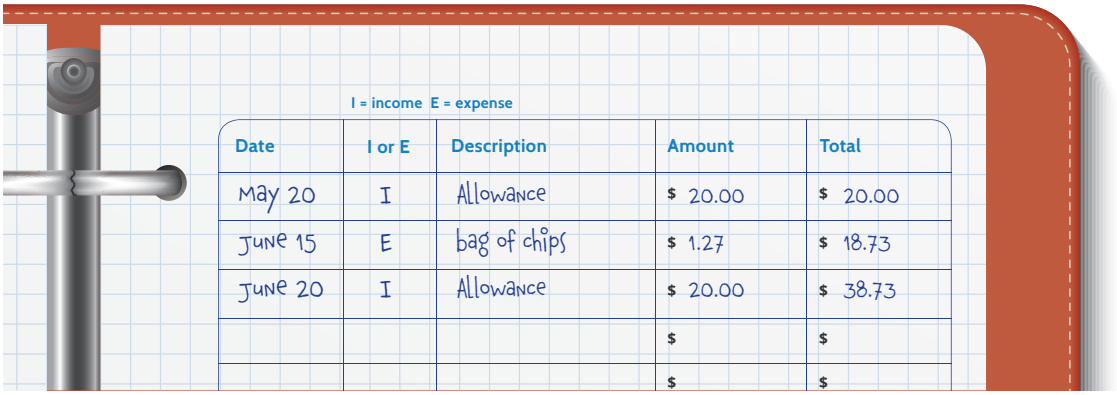
"Hmm, the shoes and the basketball, you say? Do you have a **budget**?" Uncle Nate asked.

"What's a budget?" Parker asked. Parker noticed that Uncle Nate had on a new pair of basketball shoes.

"A budget is a **plan** for **spending** and **saving**. It prevents you from **overspending**. First you plan, then save, and finally succeed," Uncle Nate said. "It's always worked for me":

- **Plan** means to choose a money goal, then create a budget by **estimating** your **income** and **expenses**. Do you know which basketball you want? How much money do you have and how much money do you spend?
- **Save** means to **adjust**, or change, your budget. You can do this by increasing income or reducing your expenses. You've always got to keep your goals in mind. That way you choose when something is really worth spending your savings on.
- **Succeed** means to measure when your **income exceeds** your expenses. Once it does, you'll have money to spend, then extra money to save or give back to the community.

Parker said: "I get a $20 **allowance** each month to do chores. That means even if I split the cost of the ball with Declan, it will take three months to pay my half of the ball and it will take even longer for the shoes. That's too long!"



I = income E = expense

Date	I or E	Description	Amount	Total
May 20	I	Allowance	$ 20.00	$ 20.00
June 15	E	bag of chips	$ 1.27	$ 18.73
June 20	I	Allowance	$ 20.00	$ 38.73
			$	$
			$	$

"But it's doable. You've already done part of your planning!" Uncle Nate said. "Three months is a realistic goal for the income you have coming in right now. Do you have any expenses?"

"Just snacks mostly. I'm 10 and 3/4. I guess things that I need and want are my expenses," Parker said.

"So, you should think about whether your expenses are a **need** or a **want** in order to spend your hard-earned savings on it. Do you really need a new ball and new shoes?"

"Yes," said a determined Parker.

After lunch, Uncle Nate showed Parker how to **log** his income and expenses in a binder so he could keep track of his budget. They also went over ideas to create extra income, and to cut down on expenses like snacks and comic books.

It did take Parker three months to save enough for half the price of the basketball. He even found a discount code to get the ball on sale! But he didn't buy the shoes.

"I'm giving you these shoes," Uncle Nate said. They were his brand-new basketball shoes that Parker had seen him wear at the park! "That'll save you the cost of shoes. Now you just have to get the ball. And practice, of course."

"But Uncle Nate, your shoes won't fit me!" Parker said.

"I'd say practice makes you a better player than new shoes. And you've been doing just that," Uncle Nate said with a wink.

"Oh, I see," Parker said. He put the shoes on the book shelf in his room, where they would stay until they fit him. Parker went out to the court every day after school with Declan to practice playing with the new basketball. And with his monthly allowance, Parker continued to chart his budget, leaving him with extra income and dreams of even bigger goals.

Glossary *(Definitions of Story Words)*

Adjust: To change something in a small way to make it work better.

Afford: To have the finances or money to do something or buy something. Example: "Can you afford this car?"

Allowance: When you're a kid, you might earn an allowance or a sum of money for doing chores around the house.

Budget: An estimate of income and spending for a period of time.

Estimate: To guess a value that is close enough to the right answer by calculation.

Exceed: To go beyond the limit.

Expenses: Any amount of money spent that takes away from your savings is considered an expense. So, if you spend $3 out of $10 on a bag of chips because you are hungry, this is considered an expense.

Income: Throughout your life, you'll have money coming in and going out. Money that comes in is called "income." Most people get income from a job, but it can also come from gifts and allowance or by doing chores.

Log: To make a record of your daily activities; in this case, to make a record of your income and expenses.

Money goal: A goal is something that you want to do, to be, or to have, and you don't have the resources (time, money, permission, etc.) to get or do it right away. A money goal is something you will work to get in the future, after you figure out how to save money in order to get it.

Overspending: To spend too much money on a single thing or many things.

Plan: A series of steps to follow or goals to reach.

Saving: To keep money without spending, to grow until you have reached a goal.

Spending: To use or pay money.

Succeed: To achieve a desired result.

Elements of a story

Elements of a story: The pieces of a story that come together to make it complete. Story elements include character, setting and plot.

Character: The people or animals in the story.

Conflict: The problem in the story that needs to be addressed or fixed.

Plot: What happens in the story.

Setting: Where and when the story takes place.

Theme: A story's main idea.

Activity 1

Adding and subtracting

A. Adding and subtracting with money can be tricky because we use dollars ($) and cents (¢). Cents are also represented as a part or fraction of a dollar by placing a decimal point in front of the amount like this:

50 ¢ = .50

So when you're adding and subtracting money, you just need to carry the decimal down like this:

Add $32 and $3.45

Remember: $32 is the same as $32.00

$ 32.00
$ + 3.45

B. Try this! The following activity will help you to practice adding and subtracting money amounts. Knowing how to do this will be handy for keeping track of your budget.

$ 5.34
$ - 4.11

$ 6.05
$ + 3.44

$ 1.93
$ + 4.02

$ 25.42
$ - 12.09

Take it further

Do you know your dollars and cents? Try drawing the following sets of bills and coins:

- 1 twenty dollar bill, 2 dimes, 2 nickels, 2 quarters
- 2 ten dollar bills, 3 quarters, 5 nickels and 1 dime

Activity 2

Plan!

A. Think about a goal and what you need to get there. Is it a new pair of shoes? A trip to the amusement park? Create a budget by tracking your income and expenses. You can use the following questions to guide you:

What is your monthly income?	Amount
Allowance	$
Extra chores	$
Gifts	$
Other	$

What are your monthly expenses?	Amount
Fun/Entertainment	$
Snacks	$
Clothes	$
Games	$

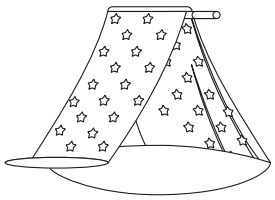
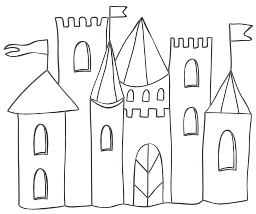
My budget total:	Amount
Income	$
Expenses	$

I am saving for:	I need this amount:
	$

B. Do we always need to spend money to reach our goals? Give your expenses some thought. Are they a need or a want? In the chart below, think of a goal and decide whether it's a need or a want. Write your answer in the first column.

In the 2nd column, draw a picture about how to reach that goal by not spending money.

In the 3rd column, draw a picture about how to reach that goal by spending money.

Goal: Is it a need or a want?	Not spending $	By spending $$$
My own space: need		

Take it further

What is an "allowance?" It's a small amount of money that some parents or caregivers give for helping them out with chores around the house. Talk with your parent or caregiver about what kinds of things you could do around the house to help out - like cleaning up your toys, folding laundry, vacuuming or cleaning out the cupboards. Depending on your family, you might talk about how much you could receive as your allowance, and this will go towards your savings or money goal. You can also create a list of chores together.

Activity 3

Save!

A. Write down your top three goals (things you hope to have or buy!). Then go online or look through flyers to find out the cost of things. Write down the cost, as well as how much you hope to save each month for each item. You may also want to add how many months it will take to reach each goal. Having this down on paper will help you to picture how long it will take you to reach your goal and allow you to rethink your savings plan if needed.

Goal: things you hope to have or buy	Cost	Need to save each month	How many months to reach savings goal?
	$	$	
	$	$	
	$	$	

Total amount to save each month: $ _____

B. You might also want to brainstorm ways to earn extra income and reach your goals faster:

Help with gardening

Wash neighbours' cars

Plant and sell herbs

Shovel snow from driveways

Rake leaves

Set up outdoor movie theatre

Set up a lemonade stand

Hold a yard sale

C. It's time to track your money! Whether it is from a gift or an allowance, where does it come from and where does it go? You can use the following tear out sheet, on the next page, to track your money. Try doing this for 1 to 3 months to get a clear picture of how money goes in and out of your savings.

Take it further

Emergency fund. One savings guideline you may want to consider is an "Emergency Fund." There are always surprise expenses that life throws your way. Maybe you want to help your family pay for vet bills. Or maybe your bike tire needs to be replaced. One way of saving for your Emergency Fund is to set aside a percentage of your income to this fund. For example, 20% of your income would be your income multiplied by 0.2:

$10 x 0.2 = $2.00

So, you would put aside $2 for every $10 you receive for your Emergency Fund!

Track your money

I = income
E = expense

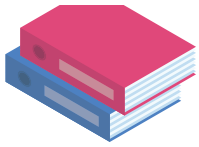
Date	I or E	Description	Amount	Total
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$
			$	$

Activity 4
Succeed!

A. Budget practice: Let's say you have $100 to spend each month. How would you spend on each of the following expenses?

Video games
$5

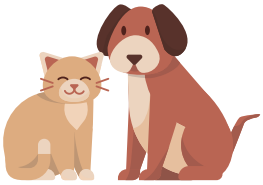
Snacks
$3



Books
$5

New clothes
$10

New shoes
$5



Pet supplies
$10

Movies
$2

Pack of gum
50¢

B. Let's think about it!:

How much money did you spend? _____

How much money did you have left over at the end of the month? _____

Why did/didn't you spend all $100? _____

Go back and circle the items above that were needs. Draw a square around the wants.
Is there any way that you could have saved money while still spending on all your needs?

_____

_____

Take it further

You have thought about ways that you can reach your goals by NOT spending money, or spending less. You can do the same by practicing with cut out coupons from your local newspaper flyers. Cut out a few that interest you and take them to the store with you to practice how they work. You'll be amazed at the money you can save!