

What is money?

From swapping eggs to tapping a card: why do we use money?

Answers and teaching notes

For the teacher

- **Aim:** Pupils understand that money was invented because swapping (bartering) was awkward, and that we use money to pay, to save and to compare what things cost.
- **Curriculum links:** Financial Education Planning Framework, ages 7 to 9: how to manage money (what money is and the different forms it takes). Maths: money (adding coins). PSHE: economic wellbeing. History: how people lived long ago.
- **Watch first:** the Penny Explains video “What is money?” at pennyexplains.com.
- **Starter:** Hold a class swap. Give out picture cards (an apple, a pencil, a toy car). Can everyone swap for the thing they want? What goes wrong?
- **Support:** Use real or plastic coins for activity 5 so pupils can touch and count them.
- **Stretch:** Ask: what would make a bad kind of money? (Ice melts. Leaves are everywhere. Sand is hard to count.) Why?
- **Total:** 27 points. Suggested answers are shown in red; accept any answer that is well reasoned.

I can...

- [ ] I can say what money is and what we use it for.
- [ ] I can explain why swapping things was tricky.
- [ ] I can count a small pile of coins.

Key words

Money: what we use to pay for things.

Barter: to swap one thing for another without using money.

Coin: a small piece of metal money.

Note: paper or plastic money, like a £5 note.

1 Tilly's swap trouble

5 points

Tilly lived long, long ago. Use the words in the box to finish her story. Use each word once.

sleep | money | swap | coins | buy | want

Long ago there was no **money**. People had to **swap** one thing for another. This is called bartering. Tilly had eggs and wanted bread. But the baker did not **want** any eggs, so there was no swap! Then people made metal **coins**. Now Tilly could sell her eggs and **buy** bread from anyone.

2 True or false?

4 points

Circle True or False.

We use money to pay for things.	**True**	False
Bartering means swapping things without using money.	**True**	False
You must spend money on the day you get it. **You can save money and spend it later.**	True	**False**
Every coin is worth the same amount. **Coins are worth different amounts. A £1 coin is worth more than a 1p coin.**	True	**False**

3 The story of money

5 points

How did money change over time? Number the boxes from 1 (the oldest) to 5 (the newest).



Penny says: Money is easy to swap, easy to count and easy to carry. Clever!

1 People swapped things, like eggs for bread.

3 Paper notes were made. They were lighter than a bag of coins.

2 People began to use metal coins.

4 Plastic bank cards were invented.

5 People began to pay with their phones.

4 What would you do?

3 points

Read the story, then answer the questions.



Tilly has **6 eggs**. She wants a **pair of shoes**. The shoemaker says, "I do not want eggs. I want a **warm hat**." Tilly does not have a hat.

a) Why can Tilly not get the shoes? 1 mark

> The shoemaker does not want what she has (eggs), so they cannot swap.

b) What would you do if you were Tilly? Why? 2 marks

> Pupil's own idea with a reason. For example: swap the eggs with someone who has a hat, then swap the hat for the shoes. It works, but it takes a long time. Money would make it much easier.

5 Count the coins

3 points

Now Tilly sells her eggs for coins! How much money is in each row?

a) 10p 5p 2p — **Total:** 17p

b) 50p 20p 20p 2p — **Total:** 92p

c) £1 50p 10p — **Total:** £1.60

6 Unscramble the money words

5 points

The letters are mixed up. Use the clue to work out each word.

S A W P	Give one thing and get another thing back	S W A P
I N C O	A small piece of metal money	C O I N
E T O N	Paper or plastic money, like £5	N O T E
P R E C I	How much something costs	P R I C E
M Y O E N	We use it to pay for things	M O N E Y

7 Design your own coin

2 points

Draw your own coin. Give it a number and a picture, then label them.



Penny says: Real UK coins show the head of the King or Queen on one side.

Look for a clear value (such as 10p or £1), a picture and two labels. Ask pupils why they chose their picture.

8 Before you go

One thing I learned today

One question I still have

How sure do I feel?

Not yet | Getting there | Got it



Take it home

Ask a grown-up to show you some coins. Can you find a **1p**, a **10p** and a **£1**? Which one would buy the most?

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