

MATH · Y1–Y5

Money & Financial Literacy

Knowledge Organiser — Y1–Y5

Coins and notes

Values to know

- COINS: 1p, 2p, 5p, 10p, 20p, 50p, £1, £2
- NOTES: £5, £10, £20, £50
- $100\text{p} = £1$ (always write pounds with £ and pence with p)
- WRITING: £2.45 means 2 pounds and 45 pence (NOT £2.45p)
- ORDER matters: $60\text{p} + 25\text{p} = 85\text{p}$; $£1.60 + £0.25 = £1.85$

Key vocabulary

1 Change
The money returned when you pay more than something costs.
Example: Pay £5 for £3.40 item → change = £1.60

2 Profit
Money made after subtracting costs. Profit = selling price – cost price.
Example: Buy for £3, sell for £5 → profit = £2

3 Loss
When costs are more than income — you spend more than you earn.
Example: Buy for £5, sell for £3 → loss = £2



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Budget

A plan for how to spend money — deciding in advance what to spend on.

Example: Weekly budget: £20 (£10 food, £5 travel, £5 savings)

5

Needs vs wants

Needs: things essential for life (food, water, shelter, clothing). Wants: things we'd like but don't need (games, sweets, holidays).

6

Interest

Money paid for borrowing money (or earned for saving it). A percentage of the amount.

Example: 10% interest on £100 loan = £10 extra to pay back

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Tax

Money paid to the government. VAT (20%) is added to most goods and services.

