Money parent guide

You do not need to be an expert to read this book together. Your job is to ask how the explanation works and give the learner room to think.

What this book helps explain

Separate balances, income, spending and borrowing while following a payment.

Three short conversations

First, ask: If you move $100 from checking to savings, have you spent $100?

Next, read “Income flows; balances sit” together. Ask the learner to draw the idea and explain one unfamiliar term. Use the glossary rather than guessing.

Then use the activity below. Let the learner try before reading the answers on the next page. Ask what information would change the answer.

Try it together

A fictional person starts with $500 in checking and $100 in savings. They receive $200 pay, move $150 from checking to savings, and buy $80 of groceries from checking. Ignore fees, interest and all other events.

1. What are the ending balances?

2. What is total money in the two accounts?

3. How much income and spending occurred?

A small activity at home

Use invented balances to compare a transfer, purchase and loan. Keep household account details private.

Money conversation notes

Answers to discuss

1. Checking: 500 + 200 - 150 - 80 = $470. Savings: 100 + 150 = $250.

2. $470 + $250 = $720, also $600 + $200 - $80.

3. Income is $200 and spending is $80. The $150 transfer is neither income nor spending across the two-account boundary.

Listen for this distinction

A pending authorization and a settled payment are not the same stage. Borrowed money is not earned income.

Useful follow-up

With a 10% price increase, a $100 basket costs $110. If pay rises 5%, it buys less of that basket despite the larger dollar amount.

When the explanation is unclear

Ask “Which part are we sure about?” and “Can you show me with a smaller example?” Say when you do not know. Read the relevant chapter together and check its sources if the question goes beyond the example.

Signs of understanding

The learner can explain the idea in their own words, use a diagram or example, and say one thing the example does not prove. Repeating the book word for word is not the goal.

Keep the conversation comfortable

Use fictional people and amounts. Do not require personal disclosures. Short sessions are enough; stop before frustration turns reading into a test.

Reading route

Income flows; balances sit; A card is a key, not a money container; Moving money is not always spending it

Companion to Money: NOW It Makes Sense by Sonny Saggar. First edition. This guide uses original supplementary teaching examples.