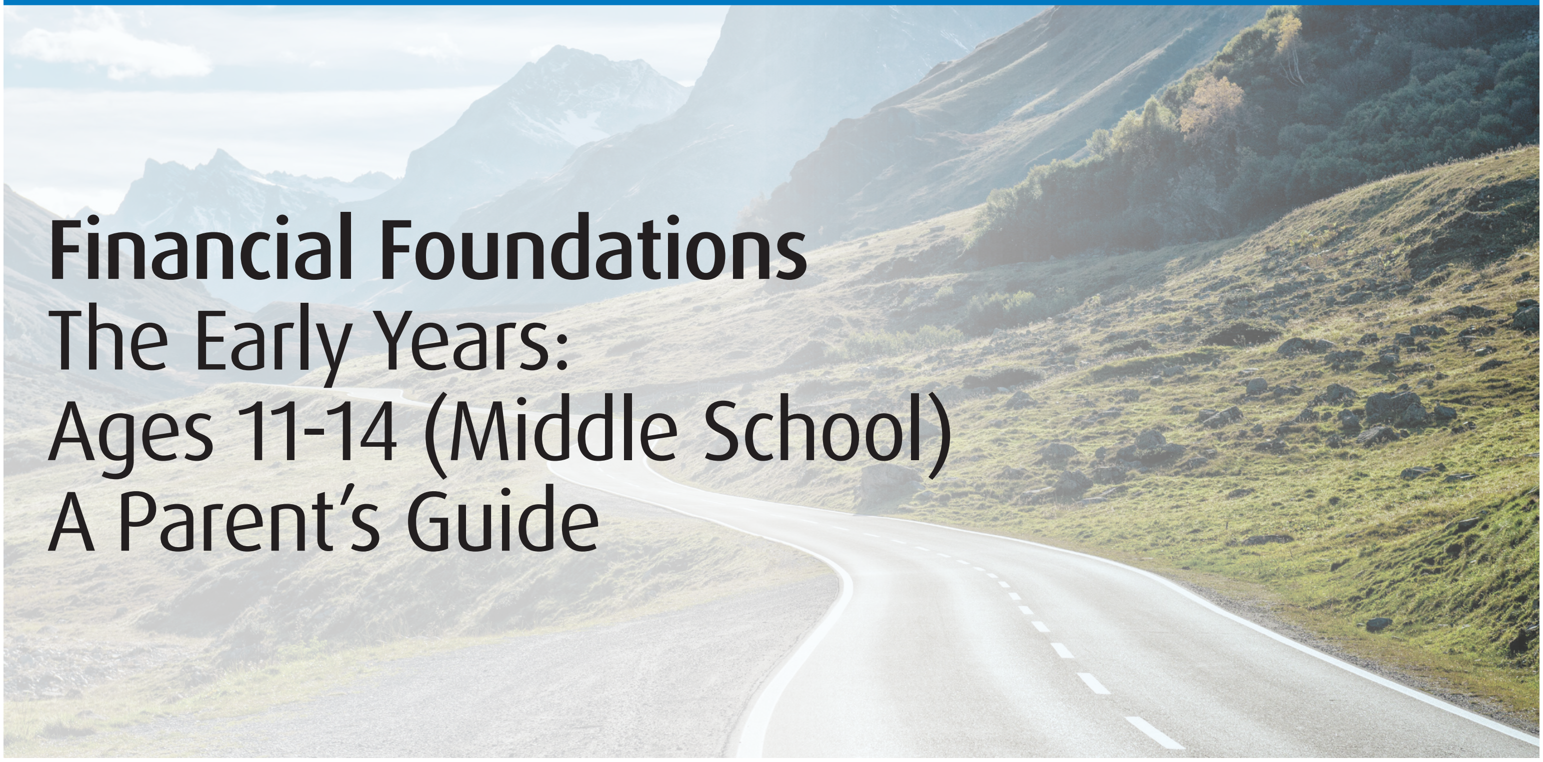

Financial Foundations
The Early Years:
Ages 11-14 (Middle School)
A Parent's Guide

Conversations about money start earlier than most people think. The early teen years are an important time to begin building healthy habits around earning, saving, spending, and giving. This guide offers practical prompts and ideas to help bring those conversations into everyday life.

Starting with goals

In the early teen years, kids are naturally goal-oriented — they just don't always connect their goals to money. Helping them make that link early builds the foundation for every financial decision that follows.

What to explore together

- **Short-term goals:** Saving for something meaningful in the near future — upgraded sports equipment, tech accessories, a leadership activity, or contributing to a cause that matters to them.
- **Long-term goals:** Planning and saving over time for bigger opportunities — a bike, first phone or laptop, a major school trip, specialized training, or future educational opportunities.

Habits to try
Ask your child what they'd most like to save for and why. Help them define one short-term and one longer-term goal, then decide together how much to set aside each week. Track progress as a family — the habit matters more than the amount.

Needs vs. Wants

One of the most useful financial distinctions a young person can learn — and one of the simplest to practice in everyday life.

- **Needs:** Essentials that support wellbeing and growth — food, basic clothing, school supplies, transportation, and participation in required activities.
- **Wants:** Items or experiences that add enjoyment but aren't essential — upgraded brands, entertainment, optional outings, or trend-driven purchases.

Conversation starter
"Is this a need or a want?" is a question worth building into everyday decisions.

Follow it with: "If we choose this now, what goal are we choosing not to fund?"

It builds early understanding of trade-offs without making money feel stressful.

Money-in vs. money-out

Budgeting means understanding how much money comes in, where it goes, and how much is left to save or invest toward goals. The goal at this age is simply awareness — not perfection.

A simple structure to start with

- **Money in:** Allowance, chores, small jobs, gifts.
- **Money spent:** Track where it actually goes — no judgment, just visibility.
- **Money saved:** Toward a specific goal or "just in case."

Habits to try
Once a week, review together: what came in, what was spent, what was saved.

Use a notebook, a simple app, or a jar system. The objective is awareness, not perfection.

Saving

Saving is more than setting money aside — it's about creating choices. Children who learn to save early develop confidence in managing their financial lives that carries forward.

The impact of saving

- Reaching meaningful goals on their own terms.
- Being ready for unexpected moments without anxiety.
- Saying yes to opportunities that matter.
- Building independence and confidence over time.

Habits to try
Use a youth savings account or a simple jar system. Encourage your child to divide money into three categories: goal-based savings, "just in case" savings, and giving or philanthropy.

Let them participate in deciding how their money is allocated — ownership builds habit.

Banking basics

- **Chequing accounts:** Used for everyday banking and transactions, such as purchases, bill payments, and accessing cash.
- **Savings accounts:** Designed to help you save money and earn interest over time.
- **Debit cards:** Provide secure, convenient access to money available in your bank account.

Online & financial safety

As your child begins using devices and apps independently, a few ground rules are worth establishing early:

- **Passwords and personal information** should always be kept private and never shared online.
- **Any online purchases** should involve a parent — especially on unfamiliar apps or websites.
- **Stick to trusted** websites and apps for any financial activity, and check in regularly on what your child is accessing.

Conversation starter
Talk openly about how your family uses banking — what a chequing account is for, why a savings account earns interest, and how to stay safe online.

Children learn most by observing how the adults around them think about money.

Earning & developing good habits

Money can be earned through allowance, responsibilities, small jobs, helping others, and gifts. Encouraging thoughtful use of earned money — to support both current interests and longer-term goals — helps connect effort to outcome.

Introducing giving

Many families find that introducing a giving component — however small — helps children develop a broader relationship with money beyond spending and saving. It connects financial decisions to values, which is a habit that tends to grow with them.

Conversation starter
Ask your child if there's a cause or organization they care about.

Even a small, regular contribution — from birthday money or a portion of their allowance — introduces the idea that money is a tool for impact, not just personal use.

Continuing the conversation at home

Building strong money habits is a long-term journey. At this age, the focus is on building awareness, confidence, and thoughtful decision-making — not getting everything right. Simple, regular conversations help children develop a healthy relationship with money and an understanding of how choices today can connect to opportunities tomorrow.

Set a goal together

Ask your child what they would like to save for and why. Help them define a short-term goal (weeks to months) and a longer-term goal (several months or more). Discuss how small, consistent saving builds progress over time.

Practice the language of choice

In everyday situations, pause and ask: "Is this a need or a want?" and "If we choose this now, what are we choosing not to do later?" This builds early understanding of trade-offs and priorities without making money feel stressful.

Create a simple saving structure

Whether through a youth savings account or a jar system, encourage your child to divide money into goal-based savings and "just-in-case" savings. Let them participate in deciding how their money is allocated.

Normalize the conversation about money

Once a week, review together: what came in, what was spent, what was saved. The objective is awareness, not judgment.

Lead by example

Children often build their money habits by watching how parents and adults make decisions. Share your own decision-making process out loud, even if only occasionally. It can make a stronger impression than a formal lesson.

Keep building financial confidence

If your child wants to continue strengthening their financial knowledge, these BMO tools are designed for young people who want to make informed decisions and feel confident about their future.

BMO SmartProgress™ — on-demand digital learning

SmartProgress offers interactive, self-paced modules that make learning about money simple and practical. Explore Growing Financial Foundations to deepen understanding of saving, budgeting, and real-world financial choices.

- Family Finances | BMO Smart Progress
- Family Conversations about Money | Getting started
- Teaching Kids to Budget | Getting started

BMO on Twitch — when gaming meets banking

BMO's Twitch channel connects with young people where they already spend time — through gaming and live digital content. By combining entertainment with real-life money lessons, the channel promotes healthy money habits, smart spending decisions, digital safety, and financial awareness in everyday life.

- twitch.tv/bmo

Speak with your BMO Private Wealth professional
If you'd like to learn more about how to get started — whether that's opening accounts for your children, continuing their financial education, or exploring what's right for your family — your BMO Private Wealth professional is here to help.

BMO | Private Wealth