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THE IMPORTANCE OF FINANCIAL LITERACY FORMATION IN CHILDREN

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ABSTRACT: . In this article, we will focus on such issues as the importance of Finance and financing in human life, the impact of financial literacy on social life, the study and the provision of economic knowledge to children.

Keywords: Finance, financing, monetary unit, financial literacy, cost.

INTRODUCTION

Finance and money are closely related concepts. If there was no money, there would not be concept of finance. The term **financing** means "money supply". The word "finance" is often used in everyday life as a synonym for "money." The emergence of finance is due to the existence of conditions such as regular exchange of goods and the need for the state to attract additional resources. In the Western scientific and educational literature, general definitions of finance are not usually given, and finance is widely interpreted. Financial literacy is the ability to manage one's income and expenses, make the right decisions about the allocation of funds (live by them) and increase them competently. In other words, it is knowledge that allows you to achieve financial well-being and be well-funded throughout your life. Financially literate people have confidence in their future and do not panic even in times of economic crisis, as they have a "reserve fund" in case of various emergencies. Unfortunately, the population of our country cannot be called financially literate, as most of them grew up in a completely different period and do not use it to think about their future financial well-being and to plan their income and expenses for the long term.

In today's world, it is important to learn how to manage money properly.

After all, there is a saying that our people love money accounts. A financially literate person is one who knows how to manage cash; records income and expenses, lives within its means, and plans its expenses well, has a "airbag" and is always aware of the economic situation in the country.

A financially literate person develops the following skills:

1. Maintaining a balance between consumption and investment. It is not easy to save and invest enough money to live well today and at the same time provide a comfortable standard of living in the future. If you leave nothing for the future, you will receive a minimum pension from the state. Therefore, it is very important to follow the "golden rule", which will allow you to live comfortably now and in the future.

2. Effective management of personal finances, income and expense planning in advance. Today, there are a variety of services, programs for accounting income and expenses. All of them allow you to enter information about expenses and income in a few minutes a day on the phone.

3. Setting clear financial goals and identifying ways to achieve them. Who among us does not like to dream of buying an expensive car or to be financially independent. The goal is different from the

dream, because it is clearly defined, there must be an idea and plan for its implementation, dates, values, and so on.

4. Plan and act on your future 5-10-30-50 years in advance. Let this be your personal financial plan.

It is well known that in preschool, a child needs to have a certain amount of knowledge, skills and abilities. Knowledge is the result of cognitive activity, so their character is determined by the cognitive characteristics of preschool children. The development of preschool children involves their constant interaction with the outside world. It is important to know that the main task of educators working with preschool children is not to “encourage” children to acquire learning skills, but to create an environment conducive to the development of their abilities and even talents. At the same time, the most appropriate types of education should be used for preschool education. It can be a variety of educational games, staging children's performances, classes in various themed circles. Teamwork is very important. Kindergarten education is an integral part of the pedagogical process of preschool education. The formation of the personality of the preschool child is carried out during the development of socio-historical experience. The main task of education is to ensure the development of modern scientific foundations of nature and society, human activity and the laws of knowledge, the completeness of this knowledge, their consistency and awareness. The child learns the main activities in preschool education: subject, work, game, education. In general, teaching in kindergarten is characterized by children's vitality and spontaneity, a variety of techniques and actions, small educational content, reliance on children's experiences, a bright visual basis, and the use of games and fun teaching methods.

Preschoolers are unfamiliar with adult financial relationships, so the problem of lack or availability of funding is incomprehensible to them. In many cases, parents think that "child and money" are incompatible concepts, that is, they do not teach the child about money, they promote the idea that it is necessary, and therefore financial issues are kept secret from children. We believe that giving a child financial knowledge is a necessary part of preparing him or her for adult life. How to include a child in the financial component of a life relationship? First of all, the function of money should be explained simply and clearly in a language that is understandable to the child.

Parents should tell their children in detail about ways to earn money. In other words, parents need to teach that they have to work every day to get paid at the end of the month. A 6-7 year old child can understand all the components of a family budget and what it is spent on. There is no need to pay attention to the concepts of "poor" and "rich". In time, children will understand what is behind these words. It is important to understand what is "necessary" and "unnecessary." The purpose is to explain the need for store-bought bread and the desire for ice cream.

Children need to understand that they should go to kindergarten (and to school in the future) to get an education, not for money. We can teach a child how to get out of a financial situation by giving them pocket money. This money is given for the personal needs of the child. The money belongs only to the child. It is important to explain to the child that he or she can spend it voluntarily, and that misuse of money can lead to disaster. The child needs help to become financially literate, but not

everything should be done for him. A child who knows the value of money and understands how to earn it from childhood can be a successful person when he or she grows up.

In short, it is advisable to carry out the following step-by-step work on the formation of economic ideas among preschool children:

- * formation of economic consciousness of the educator of the preschool organization;

- * approach to real life;

- * Awakening of economic thinking;

- * ability to learn and talk about key professions;

- * enriching children's vocabulary;

- * develop such qualities as self-esteem, fair competition and fear of loss, a desire to finish the job;

- * interest in money, awareness of the rules of honesty.

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