



## “One Hen” by Katie Smith Milway

This book illustrates the value of hard work, planning and saving for future goals. Kojo uses the opportunities presented to him from the purchase of a single hen to achieve his goals. This exercise provides the opportunity to:

1. Explore the value of thinking ahead and planning;
2. Show the importance of consistently saving money;
3. Explain what interest is; and
4. Demonstrate how money saved grows through compound interest.

**Time Limit:** 30-40 minutes (*time needed to read the main story is 15 minutes*)

### Supplies Needed:

- *One Hen* by Katie Smith Milway.
- White board, poster paper or chalkboard.
- Ten pennies for each student in the group.
- One clear jar.

### Saving for Future Goals

What is a goal? *Take responses.* (Answer: Something that someone wants to achieve/accomplish/reach.) Today, we’re going to read a story about a boy named Kojo that is based on a true story. Kojo uses one small loan of money to buy a hen. From the opportunities this one hen gives him, Kojo saves money to achieve many personal goals that help him, his family and his country. As I read, I want you to raise your hand whenever you notice that someone is saving money for a future goal.

*The librarian reads the story through page 25. As the story is read, the librarian should stop and record on a white board or chalkboard the occasions in the story when someone has saved money to achieve a goal. Those are:*

- Villagers saved money to start the loan fund.
- Kojo saved money to buy more hens.
- Kojo saved money for school fees and a uniform.
- Kojo saved money for his future farm (\$1000).
- Adika saved money to buy a mechanical grain mill.

*The librarian concludes the story.* Let’s look at how saving for one goal allowed other goals to be reached. *The librarian discusses with students how each of the bulleted items above depended on the previous one.*

- Villagers saved money to start the loan fund. (The villagers’ savings provided money for Kojo’s mom to borrow and then loan some of that money to Kojo.)
- Kojo saved money to buy more hens. (Because Kojo saved some of his money, he could grow his flock.)
- Kojo saved money for school fees and a uniform. (Because Kojo had grown his flock of hens, he could save enough money to pay to go to school.)



- Kojo saved money for his future farm. (Because Kojo was in school, he learned things that allowed him to keep building his flock and make plans to go to college to earn a degree that would allow him to further grow his business.)
- Adika saved money to buy a mechanical grain mill. (Because Kojo had grown a business that provided Adika with a job, she could save money to start her own business.)

Wow, it is pretty amazing how one person's savings can be built upon by another person. Going back to the beginning of our story, do you think it was just chance that the villagers saved their money? *Take responses.* (Answer: No, they had to plan ahead, set a goal and save to reach that goal.)

You and I can also save our money. One place we can put our money when we save it is in a bank or a credit union. When we put our money in a savings account at a bank or credit union, we will be paid something called interest. Interest is money you earn by letting others use it until you need it. So, not only do you put money away, but it slowly grows larger because you are receiving interest payments. *Write this example down on a white board or chalkboard.* For example, if I have \$100 in a savings account and I'm paid 5 percent interest each year, at the the end of one year I will have \$105. If I keep my money and the interest payment in the savings account for another year, I will earn another interest payment on both the \$100 and the \$5 my money has earned. That is called compound interest. It is earning interest payments on top of other interest payments provided the money is continued to be saved in that account. At the end of two years my money will grow to \$110.25.

*Illustrate:*

**\$100 grows to \$105 grows to \$110.25**

We're going to watch how our money can grow! *Give each student ten pennies. (adjust number of pennies to fit the class size) Place a clear jar on a table in front of the students.*

Would you rather have \$20 today (*hold up a \$20 bill*) or one penny today that is doubled in value every day for 30 days? *Take very brief responses.* Let's see what happens if we double our pennies.

*Have a student place one penny in the jar. Then have that student or other students double it by placing two pennies in the jar. Continue doubling the number of pennies based on the chart on the next page until you run out of pennies.*



### Watch Your Money Grow!

<b>DAY 1</b> \$0.01	<b>DAY 2</b> \$0.02	<b>DAY 3</b> \$0.04	<b>DAY 4</b> \$0.08	<b>DAY 5</b> \$0.16	<b>DAY 6</b> \$0.32	<b>DAY 7</b> \$0.64
<b>DAY 8</b> \$1.28	<b>DAY 9</b> \$2.56	<b>DAY 10</b> \$5.12	<b>DAY 11</b> \$10.24	<b>DAY 12</b> \$20.48	<b>DAY 13</b> \$40.96	<b>DAY 14</b> \$81.92
<b>DAY 15</b> \$163.84	<b>DAY 16</b> \$327.68	<b>DAY 17</b> \$655.36	<b>DAY 18</b> \$1,310.72	<b>DAY 19</b> \$2,621.44	<b>DAY 20</b> \$5,242.88	<b>DAY 21</b> \$10,486
<b>DAY 22</b> \$20,972	<b>DAY 23</b> \$41,943	<b>DAY 24</b> \$83,886	<b>DAY 25</b> \$167,772	<b>DAY 26</b> \$335,544	<b>DAY 27</b> \$671,089	<b>DAY 28</b> \$1.3 MILLION
<b>DAY 29</b> \$2.7 MILLION	<b>DAY 30</b> \$5.4 MILLION					

If we continue to double our pennies for 30 days, at the end of 30 days we would have \$5.4 million! Now, that's growing your money!

What would have happened if on the 10th day I took some of the pennies out of the jar? *Take re-sponses.* (Answer: There would have been less money in the jar to grow.)

Reaching your goal requires you to plan ahead, place money aside, regularly continue to save and patiently letting your money grow. As you work to save money for your goals, you can remember this book, *One Hen* and the example Kojo set for us in saving for future goals.

**Supplemental Information:**

Be sure and check out the *One Hen* web site for more activities and resources. The web address is [www.onehen.org](http://www.onehen.org).