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FINANCIAL LITERACY LEVEL OF PRIMARY AND SECONDARY SCHOOL LEARNERS IN LESOTHO: PROSPECTS FOR INTEGRATION OF FINANCIAL EDUCATION INTO SCHOOL CURRICULUM

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Abstract

Lesotho, like many other less economically developed countries, is faced with numerous economic challenges such as increasing rate of job losses and drastic decline in Southern African Customs Union (SACU) revenue, which both contribute to increasing rate of unemployment. Further, the country is reported to be characterized by low level of financial literacy, which limits individuals' opportunities for effective financial management and accessing financial services. In response to these challenges, the Government, through the Central Bank of Lesotho, has implemented a project on integration of financial education into school curriculum. While baseline surveys have been conducted on financial inclusion and the level of financial literacy of university students in Lesotho, little is known about financial literacy of school learners. This study surveyed the level of financial literacy of 120 school learners drawn from six primary and secondary schools located in the district of Maseru. The findings indicate that while the students generally have knowledge of basic concepts of financial education, there are indications of negative financial attitude and behaviour, especially with regards to saving for operational costs and long term. To this end, the study offers some recommendations for development of a school programme on financial education.

Keywords: Financial literacy, financial education, curriculum, integration, Lesotho

INTRODUCTION

In the awake of the global financial crisis of 2008, financial education and financial literacy have gained an international recognition as critical life skills for every individual. Many countries started initiatives promoting financial literacy through various strategies including integrating financial education into school curriculum. Consistent with international best practice, in Lesotho, the process of integrating financial education into school curriculum was preceded by development of the Financial Education Interim Strategy (I-FES) in 2013, which was aimed at streamlining and coordinating financial education programs in the country. The strategy recommended the establishment of a Financial Education Steering Committee (FESC) which was subsequently implemented in 2014. The FESC, which is constituted of, among others, representatives from a wide range of stakeholder groups and officials in the Ministry of Education and Training (MOET), coordinates all the programmes and activities promoting financial literacy. Currently the existing programmes include awareness campaigns targeting youth both in schools and out of schools, employees, rural population and general public. To facilitate the process of integrating financial education into school curriculum, the Central Bank of Lesotho (CBL), working in collaboration with the MOET and Ministry of Finance (MOF) commissioned a situational analysis study to assess the level of financial literacy among members of the three target groups specified above. This paper reports on the findings of a study, which assessed financial literacy of school learners. To set the scene for understanding the study, the next section provides Lesotho context, highlighting, among others, economic challenges that are associated with the low levels of financial literacy and participation in financial markets.

Relevant country context

The Kingdom of Lesotho is one of the least developed countries, completely sounded by the Republic of South Africa (RSA). It has a small land area covering 30,352 square kilometers, of which only one third (1/3) is suitable for arable agriculture. The country is divided into two distinct geographical areas, namely lowlands and highlands, with the latter having inadequate financial infrastructure such as banks and network transmissions. The population size is estimated at 2 million people, with a considerable majority living in the rural areas earning their livelihoods from rain-fed agriculture. As documented in the official literature, almost 50% of the population lives below poverty line (Government of Lesotho, 2012). The poverty situation is exacerbated by a number of factors including HIV/AIDS, declining crop production due to among others climate change.

The country is also characterized by low level of financial literacy in spite of concerted efforts by government and other stakeholders such as commercial banks and non-governmental organizations (NGOs) to promote financial education. It is estimated that 75% of low-income earners do not have skills and knowledge needed for making informed financial decisions (I-FES, 2014). There is also a low level of financial inclusion, especially in the rural areas where access to financial services is only high when informal funeral schemes are included (FINSCOP, 2011). This can be attributed to a limited access to financial inclusion in the rural areas. The banking sector is small and dominated by three off-shoots of South African banks with their branches and ATMs being concentrated in urban centres where most salaried and bankable people reside. With the global economic recession experienced around 2008, there have been increasing rate of job losses and drastic decline in Southern African Customs Union (SACU) revenue, both contributing to increasing rate of unemployment which was estimated at 24.4 percent in 2013 (World Bank, 2017). All these challenges limit opportunities for promoting financial inclusion and economic growth.

Although there is no explicit financial education policy in Lesotho, the policy support for integration of financial education into school curriculum and community life can be derived from the Lesotho *Vision 2020*. Section 2.3.5 of that document expresses the national commitment to achieving economic growth. It envisages well developed Small and Medium Enterprises (SMMEs), as well as a well-developed entrepreneurial culture among the Basotho people. The document further declares that: Access to credit and good loan management and repayment mechanisms will be the corner stone for development and promotion of the SMMEs and informal sector (Government of Lesotho, 2004).

Building on Vision 2020, and with the awareness of the potential benefits of financial education, the National Strategic Development Plan (NSDP) recognizes the importance and role of financial services in development, reduction of vulnerability and promotion of economic independence. With reference to the NSDP, access to finance is cited as one of the major impediments to sustainable economic growth and development in Lesotho. It is also identified as one of the major strategic objectives for the country's Financial Sector Development Strategy (FSDS). Financial inclusion thus becomes one of the priority areas for the development of the sector, focusing on increased effective demand, and growth of responsive financial institutions. In addition to other initiatives for the development of the financial sector such as Support to Financial Inclusion in Lesotho (SUFIL), financial literacy programmes are proposed as necessary preconditions for integrated and effective demand which will lead to an increased access to finance.

In response to the economic challenges identified in NSDP, the FSDS proposes to promote financial inclusion, deepen the savings culture and enhance financial literacy, through a two-pronged strategy that entails: increasing the effective demand for financial inclusion; and broadening and deepening the supply-side institutions' contributions (FSDS, 2013).The strategy envisages that promoting financial literacy can help convert many un-banked individuals and businesses into bankable customers. The FSDS further recommends that the Ministry of Finance (MOF) be established as a focal point in government for financial literacy and coordinate all donor sponsored initiatives. As a strategy to address the economic challenges posed by low level of financial literacy and financial inclusion, the Government of Lesotho through the Central Bank of Lesotho (CBL) has embarked on a project aimed at integrating financial education into school curriculum which started in 2015.

Financial education is being introduced in an educational system which is already overloaded with many subjects, especially at junior (Grades 8-10) and senior secondary (Grades 11-12) school levels. Considering the constraints of curriculum overload, as is the case in many other countries, financial education is integrated into some learning areas of the primary school curriculum and specific subjects taught at secondary school level, rather than offering it as a separate subject. At the initial stage of the project, curriculum audit was conducted by a consultancy team in two learning areas of primary of school curriculum and four secondary school subjects (Accounting, Economics, Business Education, Business Studies and Mathematics), which had been identified as potential carrier subjects. The purpose of the audit was to determine the current status of financial education in the school curriculum. Although the curriculum does not have an explicit focus on financial education, as it is internationally conceptualized (OECD, 2011), the audit report suggests that the school curriculum already has some financial education related content, and therefore provides opportunities for students to acquire financial literacy.

However, the process of integrating financial education started at the time when there was no research-based information on the level of financial literacy among school learners. Previous research focused on the extent of financial inclusion in the country (FINSCOP, 2011) and the level of financial literacy among university students (Rasoaisi & Kalebe, 2015). This study assessed the level of financial literacy among a selected sample of primary and secondary school learners. Understanding the level of financial literacy of school learners is essential for development of effective financial education programmes (Cameron, Calderwood, Cox, Lim & Yamaka, 2014). Moreover, according to international best practice, integration of financial education into school curriculum should be preceded by assessment of financial literacy of various groups such as school learners (OECD, 2005). The findings of the study would therefore generate baseline information for development of appropriate financial education materials for schools in Lesotho.

Objectives of the study

This study sought to achieve the following objectives:

1. To determine students' basic knowledge of financial concepts;
2. To determine students' knowledge and use of financial services/products; and
3. To examine students' financial attitudes and behaviour.

LITERATURE REVIEW

It is generally agreed in the literature that financial literacy is an elusive concept, used differently in different contexts. Reflecting on the many definitions of the concept, Mbarire and Ali (2014) note that for some, financial literacy is broad and encompasses understanding of economics and how household decisions are affected by economic conditions. For others, it is a narrow concept focusing on money and management skills relating to budgeting, savings/investment (Worthington, 2006). In other contexts, financial literacy means "the ability to make informed judgments and to take effective decisions regarding the use and management of money" (Schagen & Lines, 1996). The OECD/INFE (2011,p.3), a widely cited document, defines financial literacy broadly as "a combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing."

Similarly, the President's Advisory Council on Financial Literacy (PACFL, 2008), has provided a more comprehensive definition reflecting four interrelated components of financial literacy: financial knowledge, perceived knowledge, financial behaviour and financial skills. Although this definition may not be widely accepted as it is based on behavioural and linear assumption that individuals can apply knowledge and skills towards attainment of financial well-being (Hung, Parker & Yoong, 2009), it highlights key competences that can be expected of a financially literate person. As summarized by Remund (2010), knowledge of financial concepts; ability to communicate about financial concepts; aptitude to mange personal finances; skill in making appropriate financial decisions; and confidence in planning effectively for future needs all characterise an individual with financial literacy.

Other definitions go beyond these four components to include also debt management as another form of financial literacy (Lusardi & Tufano, 2008). In the same vein, Hung et. al. (2009) emphasise the mutual relationship among the four elements, arguing that they should all be considered in the conceptualisation of financial literacy. Based on the review of academic literature, Huston (2010) proposed that financial literacy be viewed as having the theoretical aspect (i.e. understanding personal finance knowledge) and the application aspect which deals with using personal finance knowledge. Huston (2010: 306) accordingly defines financial literacy "as measuring how well an individual can understand and use personal finance-related information," noting that this definition is direct and coherent with other existing definitions in the literature. This study adopts this broad definition of financial literacy as it focuses on assessment of students' knowledge of financial concepts as well as their financial attitudes and behaviour which are considered to be key elements of financial literacy (OECD/INFE, 2013).

Personal financial knowledge, attitudes and behaviour are influenced by many factors which include demographic characteristics, environment, economic status and financial exposure (Lyons, Scherpf & Roberts, 2006; Mbarire & Ali, 2014). Although there are contradictory findings on the pattern of relationship between demographic variables, there is research evidence that males are more likely to do better than their female counterparts in financial literacy tests (Lusardi & Mitchell, 2008; Agarwalla, Barua, Jacob & Varma, 2012). Conversely, other studies report a higher level of financial knowledge among females than males (Mbarire & Ali, 2014; Fatoki, 2014). Mbarire and Ali further report a positive correlation between age and individual financial literacy, with young adults (18-24 years) performing badly in financial literacy tests when compared with people in middle age groups.

Notwithstanding the lack of a universally accepted meaning of financial literacy as previously mentioned (Huston, 2010), assessing students' financial literacy levels has attracted much research interest both internationally and on the continent of Africa. Much of the existing empirical research focused on college and university students with a particular attention on knowledge of financial concepts, skills and financial behaviour as indicators of financial literacy. The findings of these studies generally point to low level of financial literacy (Bianco & Bosco, 2011; Agarwalla, *et. Al.,* 2012; Mbekomize & Mapharing, 2015, Oppong-Boakye & Kansanba, 2013). For example, based on their survey of college students in the USA, Biaco and Bosco (2011) argue that many college students are financially illiterate, and attribute this to the weaknesses of the curriculum of many undergraduate business programmes, which did not have a strong financial literacy component. Similarly, a survey involving Indian tertiary education students reports a lack of a clear understanding of financial literacy principles such as compound interest, time value for money and inflation (Agarwalla, et. Al., 2012). Other research findings suggest that there is a positive correlation between college or university students' financial literacy levels and area of specialisation. A study conducted in Ghana by Oppong-Boaky and Kansanba (2013) found that financial literacy was highest among business and accounting students. A similar observation was made in South Africa and Botswana, where university and college business students were found to have a better financial knowledge than their counterparts in non-business specializations (Fatoki, 2014; Mbekomize & Mapharing, 2015).

While literature on financial literacy among tertiary students abounds, there is limited research on school learners' financially literacy, especially on the continent of Africa. Nevertheless, the findings of some studies that have been conducted both in developed and developing countries, similarly point to a low level of financial literacy among school learners (Mandell, 2008; Cameron et. al., 2013; Apoku, 2015; Erner, Goedde-Menke & Obserste, 2016). For example, the results of a survey of high school senior students in the USA indicate a low financial literacy level, especially among students from poor families, headed by parents with low level of education (Mandell, 2008). Similar results are reported in a comparative study of New Zealand, USA and Japan, which reveals a low level of financial literacy among high school students, with students in the first two countries performing worse than those in Japan (Cameron et al., 2013). Likewise, a recent study conducted in Ghana reveals that while high school students are familiar with financial issues such as interest, they lack sufficient knowledge and experience with issues relating to personal financial planning, budgeting and overdraft (Opoku, 2015).

In Lesotho, as mentioned earlier in this paper, there is virtually no previous research on assessment of financial literacy of school learners. The FINSCOP (2011) focused on financial inclusion and reports a high level of financial, albeit the rate is only high when funeral schemes are included. Another study conducted by Rasoaisi and Kalebe (2015) focused on determinants of financial literacy among the National University of Lesotho students. Consistent with research conducted in other national contexts, the findings of that study indicate that the students' financial literacy levels varied according to gender and area of specialization, with male students being more knowledgeable than their female counterparts. The study further revealed that students with a business major had a higher level of financial knowledge than the non-business major students.

The review of literature presented in this section has, in addition to providing a theoretical context for conceptualising financial literacy, generated insights into an understanding of the status of financial education in other national contexts. More importantly, the review has highlighted that achieving financial literacy is a challenge in all almost all national economies and even among students at tertiary level of education. In Lesotho, while there are concerted efforts to promote financial literacy by relevant stakeholders including commercial banks, NGOs and development partners, there is paucity of research on financial literacy levels of school learners. This study is an attempt to address this gap. The next section presents methodology.

METHODOLOGY

A descriptive survey methodology, of the kind of rapid assessment, was adopted for this study. This approach enabled coverage of a large sample of school learners, households and employees, which were the three project's target groups. However, this paper will report only the findings on financial literacy level among school learners. A manageable sample of school learners was randomly selected from three primary schools and three secondary schools located in the capital city of Maseru, the foothills and the highlands to represent urban, rural and mountain schools. From each of the three clusters, two schools (one primary and one secondary school) were conveniently sampled, thus giving a total sample of six schools. From each school, twenty (20) learners were selected with the assistance of school principals. The total sample size was therefore 120 students, which is above the minimum number of cases to warrant a statistical analysis of data (Cohen, Minion & Morrison, 2007), especially those collected through rapid assessment surveys. In the primary schools, only the students in the upper grades (Grades 5-7) were considered for this study, because, as per the results of the curriculum audit referred to earlier in this paper, financial education related content is visible only in the syllabuses of the upper grades. In the secondary schools, however, the sample comprised students from both junior (grades 8 and 9) and senior (grades 11 and 12) secondary levels, for we assumed that all students at this level of education had been exposed to basic concepts of money and finance as they learned relevant subjects such as Mathematics, Business Education and Economics.

A snap-short study, using a questionnaire survey, was conducted to assess the financial literacy level of the 120 school learners. The questionnaire items were adapted from the OECD's (2011) questionnaire developed by the International Network of Financial (INF), and covered, in addition to demographic information of students, three areas of financial literacy: knowledge of basic concepts, knowledge and use of financial services, and financial attitudes and behaviour. Consistent with the OECD guidelines and previous surveys on students' financial literacy (Mbekomize & Mapharing, 2015; Apoku, 2015), the questionnaire was comprised of multiple questions, with the exception of attitude and behaviour statements where the respondents had to indicate their responses by ticking either 'Agree' or 'Disagree', without indicating the degree of agreement or disagreement. The questionnaire had a total of 17 items, excluding items on demographic information. To ensure that the questions were within the scope of the school curriculum in Lesotho, some concepts were drawn from the syllabuses of the relevant subjects. Notable examples are budget, interest and inflation.

The questionnaire was distributed to the students in all the six schools by the research team during the first two weeks of November, in 2015. All the respondents, in each school, were gathered in one classroom for briefing. To ensure accuracy of the information, the lead consultant explained the instructions thoroughly to the respondents before attempting any question. On average, it took the students about 45 minutes to complete the questionnaire. All the questionnaires were picked immediately after completion.

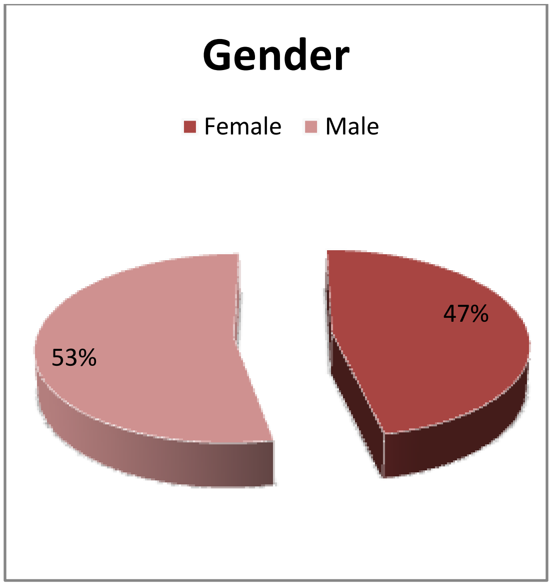
The data were analysed according to the main analytical categories reflecting the areas of financial literacy. We worked out simple frequencies and percentages from the data to highlight proportions of the responses. Since there was no attempt to explore correlation between variables and generalise the findings, descriptive statistical methods, including pie charts and bar graphs were used to represent the data. The data were then interpreted to highlight the findings on each of the analytical categories.

ANALYSIS AND FINDINGS

Demographic information

It is generally accepted in the literature that the level of financial literacy is determined by, among other factors, gender and age. Although there was no attempt in this study to explore the correlation between demographic variables and students' financial literacy level, we felt it was necessary to collect some demographic information for the participants.

Figure 1 below illustrates the gender and age compositions of the 120 school learners who were asked to complete a questionnaire assessing the level of financial literacy. The respondents were largely drawn from the female participants with a percentage of 53% compared to their male counterparts who constituted 47%. The figure further shows that the respondents were mainly in the age groups of 13-15 and 16-20. Only 2% of the students were over 20 years. This small percentage of older students is observed mainly at two schools located in the highlands of Lesotho, thus suggesting that children in mountain schools start schooling late. This is also observed at Samuel Primary school, located also in Semonkong mountain area, which has the largest percentage (24%) of learners in age group 13-14.



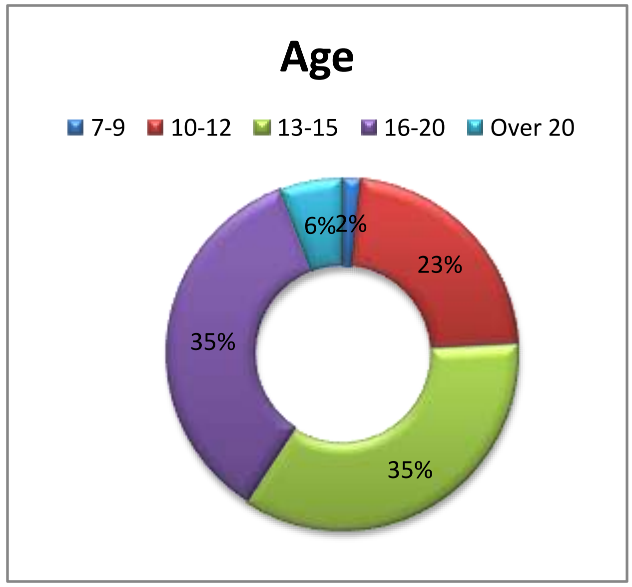


Figure 1: Gender and Age of respondents

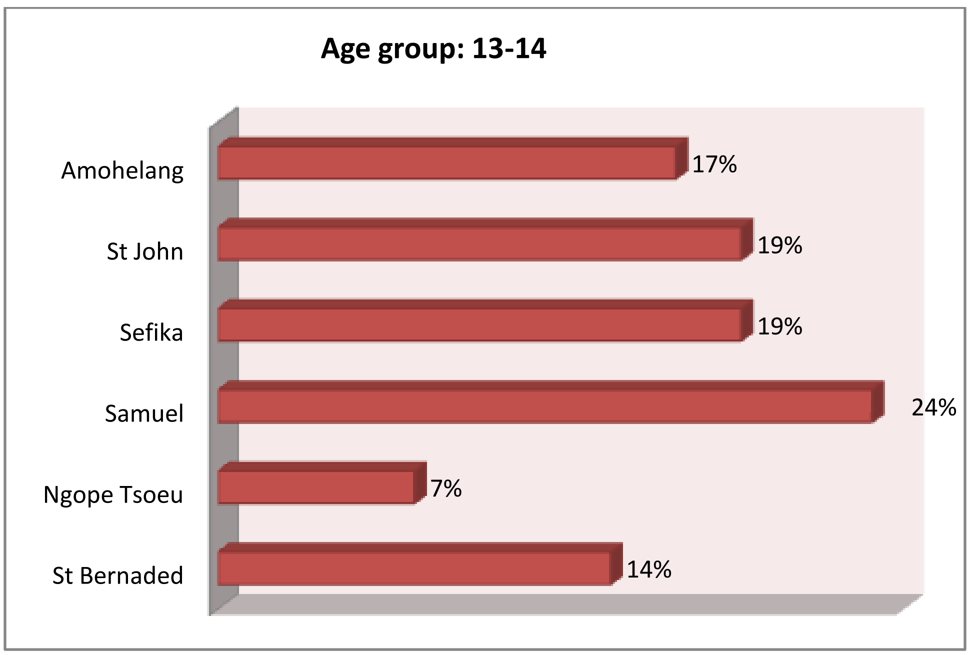


Figure 2: Age groups

When disaggregating the data further into geographical regions, it is evident from Figure 3 below that a large percentage (45%) of female students is found in the two Maseru urban schools. The foothills and the rural areas showed slightly higher percentages of male students, constituting 39% and 41% respectively, of the respondents.

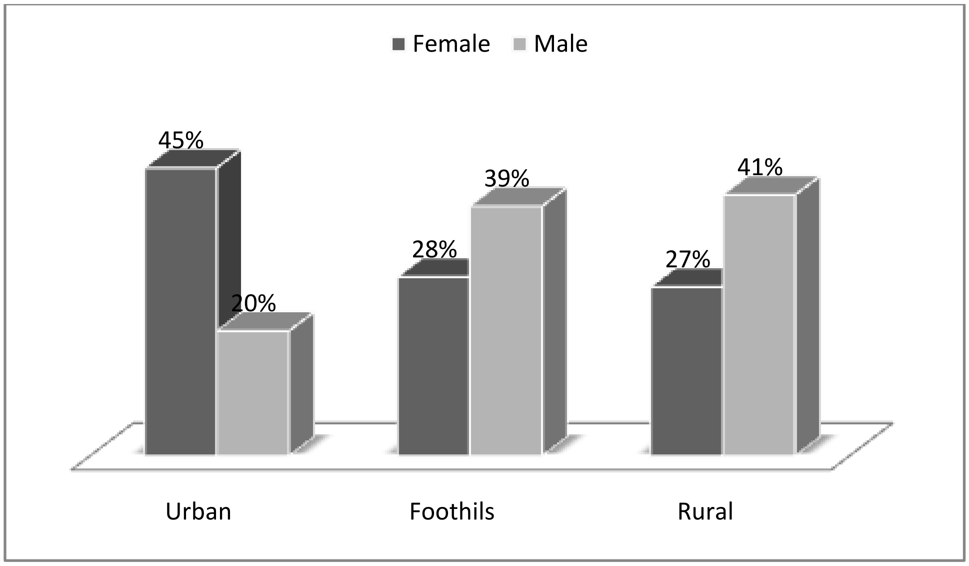


Figure 3: Respondents: gender and area

Knowledge of financial concepts

In order to integrate financial education in schools, it was important for the research team to assess the knowledge of students with respect to some of the basic financial concepts. In this study, students' level of financial literacy was tested on the following concepts: credit, inflation, interest, risk and insurance, which the team thought were central to financial education and within the scope of the school curriculum. As shown in Figure 4, 64% of the respondents demonstrate an appreciation of financial concepts, but 23% of them did not have accurate knowledge of the concepts while 13% did not know any one of the financial concepts.

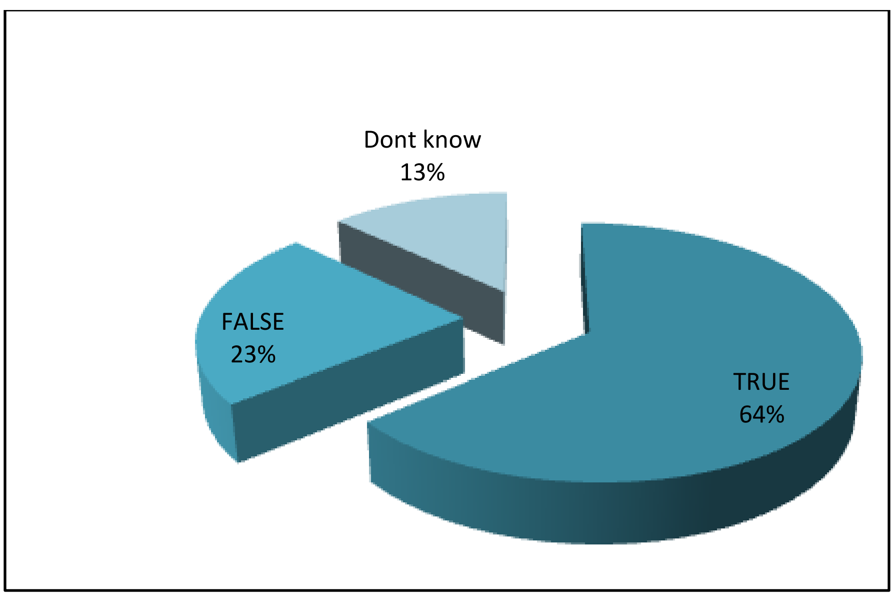


Figure 4: Basic Knowledge of Financial concepts

Taking a closer look on each of the concepts, Figure 5 below reflects a differential understanding of financial concepts among the students.

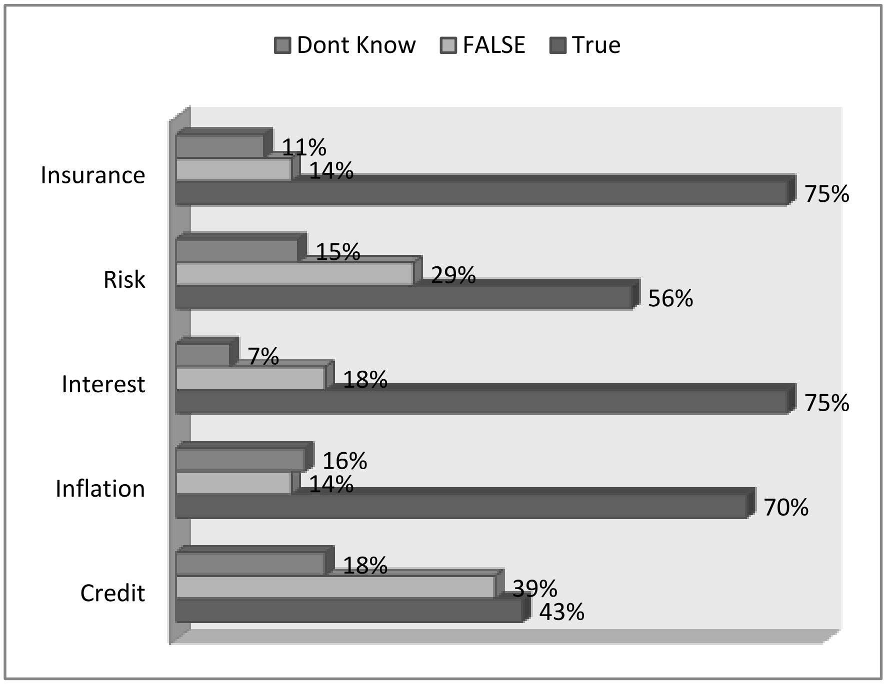


Figure 5: Financial concepts

From the figure above, insurance, interest and inflation are mostly appreciated by the learners with correct response rates of 75%, 75% and 70% respectively. Credit appears to be the least known concept as only 43% of the students ticked the correct response, with 18% claiming that they did know the concept at all. This lack of knowledge of credit would have been expected given that, in Lesotho most students at this age have not been exposed to credit facilities, even though they may be engaging in informal loans amongst themselves.

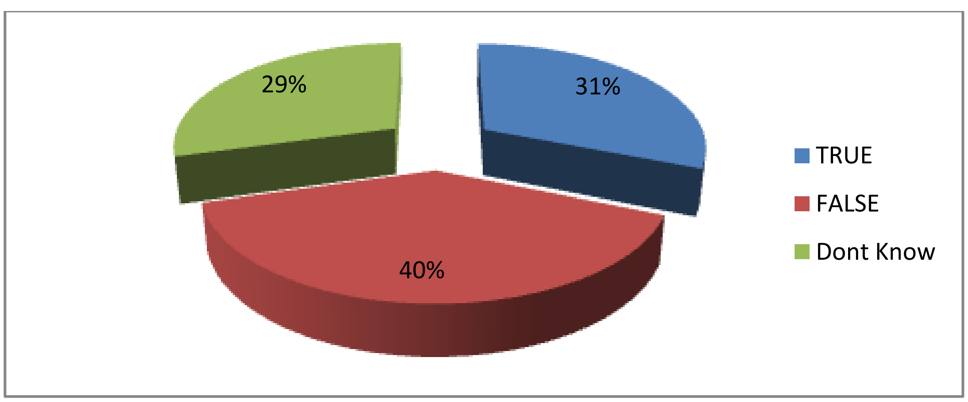


Figure 6: Budgeting

Another important concept for assessment of students' financial literacy was budgeting. Budgeting is known to be part of the good financial management skill. However, as reflected in Figure 6 above, this is another concept which presented a challenge to most respondents. Only 40% of the total respondents regarded budgeting as equally important in financial management. Respondents who regarded budgeting not to be an essential element in financial management were 31%. Furthermore, the figure shows that 29% of the respondents did not know about budgeting. Therefore, this translates into a total percentage of 60% representing the respondents who neither drew a budget, nor knew what budgeting was.

Knowledge and use of financial services

This section presents the data on knowledge and use of financial services. The analysis is premised on the assumption that the level of knowledge of financial services and products such as banking, insurance and mobile money determines the use of such services.

Possession of a bank account

In spite of the efforts being made by commercial banks to advertise their products in schools, the data presented Figure 7 show that the majority (77%) of the students who completed the questionnaire claimed that they did not have a bank account. This high percentage might also mean that most students did not use banks for safe-keeping of money. This finding lies in sharp contrast with the research findings in developed countries such as New Zealand, where 90% of the school learners reported to have a bank account (Neill et al, 2014).

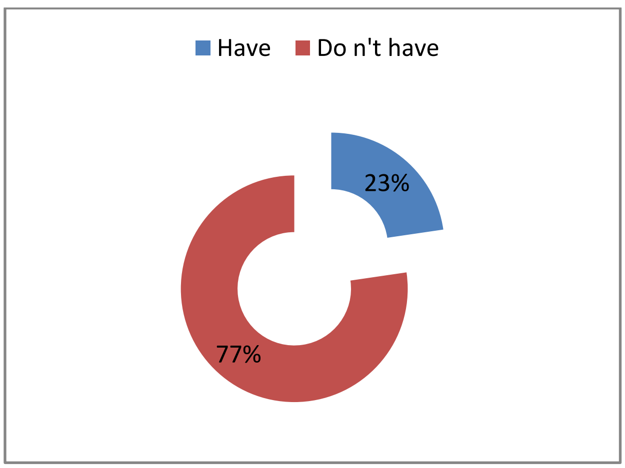


Figure 7: Possession of bank account

Normal savings services

While the majority of students claimed that they did not have a bank account, analysis of their responses to the question on where they normally save their money, shows that a higher percentage (53%) of them save with commercial banks. This reflects a contradiction in their responses, which may be explained in two ways. First, it could be that the question was not clear to most students, who thought that they were required to indicate their preference. It could also suggest that the data reflects a learned response, as to where money ought to be saved. It is also worth noting that about 36% of the respondents believe that keeping money at home is another option, which might pose a risk of theft.

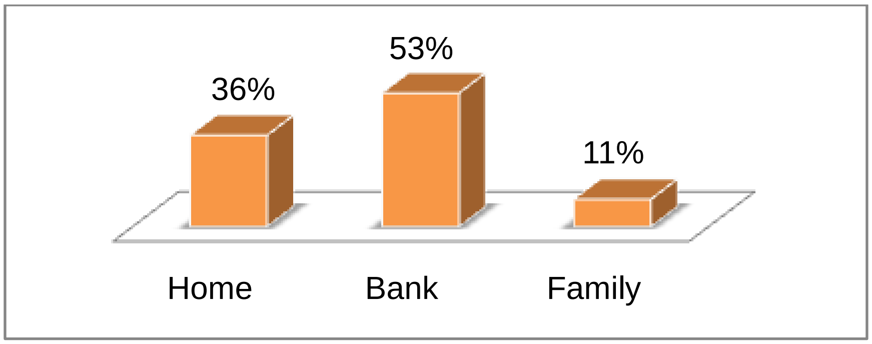


Figure 8: Use of saving services

Long-term savings

When it comes to saving money for long term, the significant majority (78%) of students believed that an insurance company was a better option than keeping it at home. This reflects a high level of knowledge of existence of insurances as an option for long term saving or saving for retirement. It may also reflect that the students appreciate the time value of money and inflation.

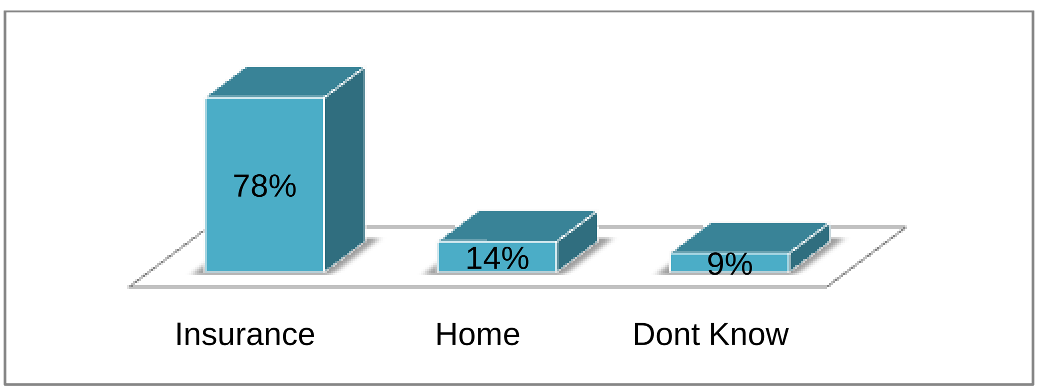


Figure 9: Long term saving

Knowledge of means of sending money

It is evident, from the data presented in Figure 9 that the significant majority (71%) of the school learners are aware of mobile money services. This can be attributed to the widespread use of cellular phones, which along with media provide effective advertising channels for such services. However, a small percentage (6%) of students who participated in this study either did not know the fastest means of sending money or preferred posting money (12%) or sending it by bus (11%).

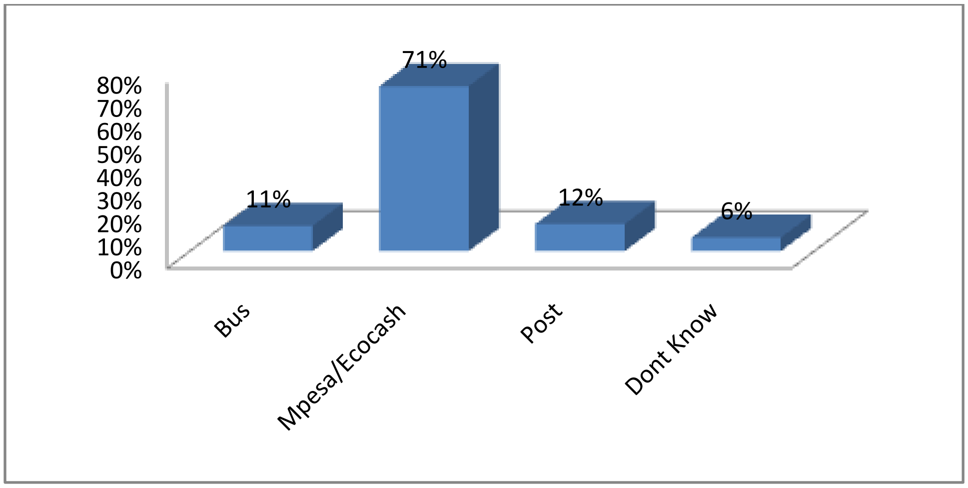


Figure 10: Responses on fastest means of sending money

Financial attitudes and behaviour

As conceptualised in this paper, financial literacy is concerned also with attitudes and behaviour that influence individual's financial decisions. Although, the students at their young age might not have enough exposure in making financial decisions, many of them handle some money almost daily to cover transport costs and buy snacks or lunch. Hence, they were surveyed on their attitude and behaviour in dealing with money on day-to-day basis. As mentioned in the methodology section, a two-point Likert Scale with seven statements was used to measure these aspects of financial literacy. As can be seen from Table 1, the statements focused on three areas:

- Saving money (statements 1&2);
- Risk (statement 3); and
- Purchasing bahaviour (statement 4); and
- Borrowing (statements 5,6 &7)

Table 1: Students' financial attitudes and behaviour

Statements	Agree (%)	Disagree (%)
1. Money is there to be spent	85%	25%
2. If I have some money, I find it more satisfying to spend it than to save it for a long term.	49%	51%
3. I am prepared to risk some of my own money when saving or making an investment	49%	51%
4. Before I buy something I carefully consider whether I can afford it	79%	21%
5. If I don't have enough money and I need to buy something, I usually borrow from a friend or family member	78%	22%
6. If I borrow money from a friend, I usually pay it on time	68%	32%
7. If I owe a friend some money, I usually borrow from another to pay it	27%	73%

Saving: The data show that a significant majority (85%) of students agreed with the first statement: "Money is there to be spent." This statement has a negative meaning with regard to the use of money, as it implies unwillingness to delay gratification by saving some money. We wonder whether the implicit meaning of this statement was clear to most students. To compliment the data on this statement, the next statement examined students' attitude towards saving money. The dada presented in Table 1 further shows that just over half of the students (51%) disagreed with the second statement on attitude towards saving money, while 49% preferred to spend money rather than saving it. The slight difference between the response rates may be interpreted to suggest a moderate attitude, and such a financial attitude does not seem to correlate positively with the high level of financial knowledge as analysed earlier in this section.

Knowledge of Risk: Similarly, there is a slight difference between the proportion of students (49%) who claimed that they are aware of the need to take a risk when saving money, and those who disagreed with the statement (51%). From these findings, one can infer that although students' attitude towards risk taking when saving their money is not very strong, they are generally aware that high risk can yield in high returns.

Purchasing behaviour: **:** The pattern of responses on statement four, point to a general positive purchasing behaviour among the students as illustrated by 79% and 21% who agreed and disagreed with the statement, respectively. We note however, that the statement itself implies a positive financial behaviour. A negative response, therefore, would mean having irresponsible financial behaviour, which would be avoided by most students.

Borrowing: The responses on statements five and six illustrate positive attitudes and behaviour towards borrowing. There is a higher proportion of students (68%) who pay their debts on time than those who do not (32%). It is further evident from Table 1 that the students' debt management behaviour is generally positive. Only 27% of the student participants agreed that they borrow money from someone to pay previous debts, while 73% disagreed with the statement.

CONCLUSION

As previously stated, the purpose of this study was to assess students' financial literacy level focusing on their basic knowledge of financial concepts, awareness of financial services and their financial attitudes and behaviour. The findings suggest that the respondents generally have a high level of knowledge of basic concepts such as inflation and interest, but they had a limited understanding of other concepts such as credit and budgeting. These findings resonate with the results of a study reported by Opoku (2015) in Ghana. The lack of understanding of basic concepts such as budgeting raises a concern about students' financial practices. Budgeting is considered to be an indicator of good financial planning (Arrowsmith & Pignal, 2010), and an essential skill for realizing financial well-being. As such, students who are not knowledgeable about the importance of budgeting are unlikely to effectively manage their finances when they grow up.

The study further reveals that, although the majority of the students did not have a bank account, they generally claimed that they save money with commercial banks. These conflicting findings may point to the limitations of the questionnaire, which may have contained some ambiguous items. The findings further suggest that the students are generally aware of financial services available for keeping money safe, investing it and means of sending money with mobile money being the most popularly known. Moreover, the analysis of the data reflects positive attitude and behaviour towards purchasing and borrowing, which may both be indicative of good financial management practices. However, their attitude towards saving is generally negative, which poses a threat for their financial well-being. This has implications for a financial education programme in Lesotho. Given that many school children in Lesotho, especially those living in the capital city of Maseru, handle money almost on daily basis to cover among others transport costs and incidentals, there is need to instill a culture of saving at an early age.

Based on the findings summarised in the forgoing paragraphs, the study has generated useful insights for development of financial education curriculum materials including teachers' manual for integration of financial education. Although the students' knowledge of some financial concepts and services may not be linked to a direct experience with the use of such services, it offers opportunities for integration of financial education into the school curriculum. We note, however, that while the findings of this study are indicative of what should be the focus of the envisaged school financial education programme in Lesotho, the sample size covered in the survey is small and that the instrument for data collection was not subjected to external validity test. Hence, the findings of the study may not be generalised to a large population. A countrywide survey is, therefore, recommended to gather more comprehensive baseline information on school learners' financial literacy level, especially after the introduction of financial education in schools.

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