

Converting between currencies.

How much one currency is worth compared to another is called the exchange rate. The rate changes constantly because the values of different currencies keep changing.

To convert from pounds into another currency, you multiply by the exchange rate.

Let's say you're going on holiday to Spain and want to exchange £50 for spending money. If the exchange rate is £1 equals €1.21, to convert, you multiply the exchange rate. £50 times 1.21 equals €60.50.

If you spend €35.50 on holiday, that means you have €25 left over.

To convert from a foreign currency back to pounds, you divide by the exchange rate. €25 divided by 1.21 equals £20.66.

Many people travelling to other countries will still use a card or phone to pay for things.

Different companies will have different exchange rates and charge different fees for this, so it's always worth checking for the best deal.