

How do I plan a simple budget?

Lesson plan (flipped learning resources)

Learning objectives/intentions

- Pupils understand the importance of planning and keeping track of spending and saving
- Pupils read and interpret simple financial documents
- Pupils use simple financial information to plan and manage a basic budget

Resources

- **How do I plan a simple budget?** interactive activity
- **How do I plan a simple budget?** presentation
- **Bank statements** activity sheet
- **Creating a budget** interactive activity

Equipment

- Writing materials

Before the lesson

Pupils are required to complete the **How do I plan a simple budget?** interactive activity at home.



Getting started (10 minutes)

'How do I plan a simple budget?' presentation slide 2

Show pupils the financial terms displayed on the **How do I plan a simple budget?** presentation and ask them to create a mind map of their existing knowledge of these concepts. Pupils can discuss the terms in pairs before sharing ideas as a class.

Main activity



Budgeting (40 minutes)

Presentation slides 3-8, 'Bank statements' activity sheet, 'Creating a budget' interactive activity

Use the presentation to introduce the Williams family, who wish to keep track of their spending and saving. Ask pupils to share ideas about how the family could do this – by creating a budget.

Ask pupils to recap what a budget is (from the **How do I plan a simple budget?** interactive activity), and where people can find information about how much they are spending and saving, to help them create a budget sheet – by looking at financial documents.

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AfL opportunity

Can pupils explain what a budget is and what it's used for?

Ask pupils if they've ever received a shopping receipt for something they've bought. What information did it include? Why might it be useful to keep it? Use the **How do I plan a simple budget?** presentation to take pupils through basic examples of other financial documents: payslip, bank statement, shopping receipt and utility bill.

AfL opportunity

Can pupils explain the kind of information found on different financial documents?

Ask pupils to complete the questions on the **Bank statements** activity sheet. If you'd like to save time, this task could be set as homework.

Explain that pupils are going to carry out an interactive activity to help the Williams family create a budget sheet to show their monthly spending and saving. They'll need to read financial documents and make decisions around spending, to make sure the family doesn't spend more than they earn. Recap the terms 'income' (the money we receive) and 'expenditure' (the money we spend). Pupils complete the **Creating a budget** interactive activity and then discuss what they have learned from it.

Additional support

Pupils could work in mixed-ability pairs. Less confident pupils could be asked to complete fewer questions, or given a list of key terms and definitions (e.g. budget, income, expenses).

Extension activity

Ask pupils to imagine that they are financial advisors, and write a letter to the Williams family with 'top tips' around how they could save more money.



Plenary (5 minutes)

Bring pupils back together as a class and discuss the importance of keeping track of spending and saving, and creating a budget, whether or not they are saving for something special. Discuss the fact that a budget can help us see what we need to spend money on and what we want, as well as how we might be able to cut down on our spending. Recap the term 'debt' as a possible consequence of not following a budget. Remind pupils to check and keep financial documents like shopping receipts, as a record of their own spending.

AfL opportunity

Can pupils explain how budgeting can help people keep track of their spending and saving, and avoid getting into debt?

Take it further – opportunities for independent learning

Pupils could:

- Consider something special that they would like to save for and create a weekly budget sheet showing their income (e.g. pocket money) and expenses, thinking about how they could save for the item
- Work together to create a budget for a proposed school trip, researching any costs that may be incurred