



Banking and budgeting basics

Facilitated session

Age range: 7-11

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Session overview

Time	Key learning outcomes	Resources
60 mins	<p>By the end of the activity pupils will be able to:</p> <ul style="list-style-type: none"> Understand some of the ways to manage money. Recognise how using a bank account keeps money safe and can help them save. Practise being responsible for managing their own money. Know how to keep track of their money, and set and stick to a budget. 	<ul style="list-style-type: none"> Banking and budgeting presentations slides. Banking and budgeting pupil worksheet.

This lesson plan is paired with Samir's birthday budget challenge when being delivered as facilitated sessions, as the content ladders up between lessons.



There is a range of topics covered including creating a budget, making payments and security and risks. All the sessions align to the [Financial Education Planning Framework](#).

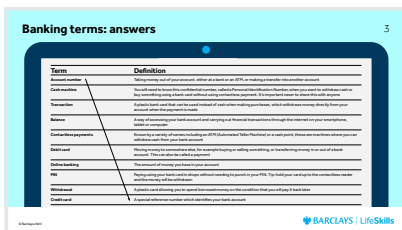
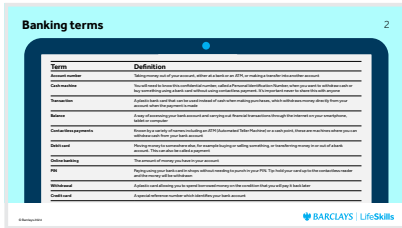
Activities in this lesson are mainly discussion based but there is an optional writing activity where students can create a mind map around what they have learnt. If this would benefit your group please let this be known at the time of booking so the facilitator can be prepped and mind map templates printed.

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Activity one

Banking vocabulary



Begin the lesson by introducing any volunteers you may have to support the session and ask them to describe a bit about themselves and their role.

This activity can be completed by showing the terms on the presentation slides or printed as a worksheet. Show the pupils the banking terms on **slide 2** and ask them to see how many they can match up with the correct definition. You could work through this as a class or ask pupils to work in pairs. The answers are revealed on **slide 3**. Pupils aged 7–9 may need more guidance when completing this task to help them understand the terminology. You could print off the table from the presentation slides to give to pupils so they have the definitions to hand.

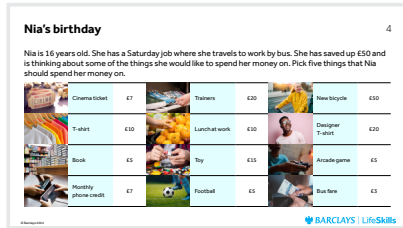
How many of these banking words do you know? Can you match them up with the correct definition?

Term	Definition
Account number	A special reference number which identifies your bank account
Cash machine	Known by a variety of names including an ATM (Automated Teller Machine) or a cash point, these are machines where you can withdraw cash from your bank account
Balance	The amount of money you have in your account
Contactless payments	Paying using your bank card in shops without needing to punch in your PIN. Tip: hold your card up to the contactless reader and the money will be withdrawn
Credit card	A plastic card allowing you to spend borrowed money on the condition that you will pay it back later
Debit card	A plastic bank card that can be used instead of cash when making purchases, which withdraws money directly from your account when the payment is made
Online banking	A way of accessing your bank account and carrying out financial transactions through the internet on your smartphone, tablet or computer
PIN	You will need to know this confidential number, called a Personal Identification Number, when you want to withdraw cash or buy something using a bank card without using contactless payment. It's important never to share this with anyone
Transaction	Moving money to somewhere else, for example buying or selling something, or transferring money in or out of a bank account. This can also be called a payment
Withdrawal	Taking money out of your account, either at a bank or an ATM, or making a transfer into another account

These terms will be revisited in an activity later in the session when carrying out Samir's birthday budget challenge.

Activity two

Basics of budgeting



This activity can be completed by showing the budget and items on the presentation slides and worksheets. You could work through the options as a class or ask them to work in small groups. You can come up with your own items, costs and overall budget if a lower budget and lower cost items are more suitable for your group.

Ask the class to think about the terms – spend, save and donate – do they know the difference?

Does anyone know what a budget is?

Explain that a budget is a plan of how someone will spend their money. It should include all the ways money will be received or spent. Can the volunteer/s share any examples of using a budget and the benefits?

Now read out the information and look at the list of items on **slide 4**.

Nia is 16 years old. She has a Saturday job where she travels to work by bus. She has saved up £50 and is thinking about some of the things she would like to spend her money on. Pick five things that Nia should spend her money on.

Cinema ticket	£7	Trainers	£20	New bicycle	£50
T-shirt	£10	Lunch at work	£6	Designer T-shirt	£20
Book	£5	Toy	£15	Arcade game	£5
Monthly phone credit	£7	A football	£5	Bus fare	£3

Pupils should select five items from the list and consider the following questions. You can use all of them, or pick the ones most relevant for your group, the main point is to open up a conversation around needs and wants. Some things you could highlight to support this is traveling to work, could the bike be used instead of a bus fare, clothes may be a need but not designer, phone credit could be both a need and want. Could any items be sourced secondhand?

Are these items things she wants or things she needs?

If she buys all of these items, how much will Nia spend?

How much money does she have left over?

If Nia has money left over, what could she do with it?

Could Nia buy different items and have more money left over?

Activity two

Basics of budgeting (cont'd)

Making a budget 5

Add your five items and the cost for each. Calculate the total Nia will have spent and work out what is left over from the £40.

Item	Cost
Total	
Remaining balance	

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If she has spent too much, how could she make sure this doesn't happen next time?

What are the benefits of using a budget to plan your spending and bank balance?

Using **slide 5** and the worksheet pupils can calculate how much Nia spends and how much she has left over, or to create their own budget. Encourage pupils to use their mental maths skills when working out the budget. Younger pupils or those less familiar with financial literacy can be given calculators to make the task less challenging, giving guidance to the whole class on how to work out the answers.

Which of these would they recommend Nia does with her money?

How could Nia increase her budget?

Ask pupils to discuss in pairs or small groups some key things that they have learnt from the session, e.g. are there any new skills that they have learnt or things they now know which they didn't know at the start of the lesson.

Explain that now you are moving onto Samir's birthday budget challenge which will explore some of these topics.