

## **Timetable and activities**

1. Image task (3 mins)
2. Session objectives (2 mins)
3. Matching money definitions (10 mins)
4. Banking and credit questions and animation (5 mins)
5. Character introductions with pros and cons (10 mins)
6. Helping Jess challenge (20 Mins)
7. Session feedback (2-5 mins)



# MONEY MATTERS

KS3

# Word Association - Money Matters

What's going on in each image?  
What do these images have in common?



# What will we learn today?

1. What's income?
2. What's a pay slip?
3. What are different types of bank accounts used for?
4. What do adults have to pay for?
5. What are the different ways of paying for things?
6. Why do we borrow money?
7. How do we pay it back?

## Match the name

**PAYSLIP**

Card in which charges are made against a line of credit instead of the account holder's cash deposits.

**WAGES**

Borrowed money (especially a sum of money that is expected to be paid back with interest).

**BANK ACCOUNT**

A note given to an employee when they've been paid, saying how much they've been paid and how much tax was deducted.

**LOAN**

The extra money you have to pay when you borrow money. It's paid regularly and is a percentage of the amount you borrow.

**INTEREST**

A payment that an employee receives in exchange for the work they do.

**CREDIT CARD**

An arrangement with a bank to look after your money until you need it.

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**CREDIT CARD**

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# Meet our friends

Meet our friends - Jasminder, Kelly and Alex.

We want you to decide what's good about how they use their money and what you would do differently.



Jasminder  
Alex



Kelly





# Kelly

Kelly works in an office. She gets paid monthly and puts 20% of her wages into a savings account.

Kelly doesn't go out much because she's saving to go on holiday and buy a car.

Kelly has a current account and a savings account.

What's positive about how Kelly uses her money?

What's negative about how Kelly uses her money?

Why might she save 20% of her wages?

What would you do differently?



# Jasminder



Jasminder is 16. He has three jobs that he does outside of school. He saves the money from these jobs so he can buy things he wants and go out with his friends.

Sometimes because he's working and saving money, he can't see his friends.

He also keeps some money aside in case he needs it.

What's positive about how Jasminder uses his money?

What's negative about how Jasminder uses his money?

What jobs do you think he could be doing at 16?

What would you do differently?

# Alex

Alex has a job and gets paid weekly 'cash in hand'.

Alex spends his cash the week after he gets it. He doesn't save any of it.

Alex sees his friends a lot and enjoys himself. He does have a bank account but doesn't use it for savings.



What's positive about how Alex uses his money?

What's negative about how Alex uses his money?

What does 'cash in hand' mean and how does it work?

What would you do differently?

# What is interest?

Interest is calculated as a percentage.

It's the extra money you have to pay for borrowing money.

It can be helpful for when you can't afford something straight away.

Why might someone borrow money from a bank?

# What is interest?

## EXAMPLE

I need to borrow £10,000 to buy a new car  
The bank will lend me £10,000 at 10% annual interest for three years

**Here's how we work out the interest -**

$$10,000 \times 0.1 \times 3 = \text{£}3,000$$

**(Amount borrowed x percentage in digits x number of years = interest)**

If you borrow £5,000 for a car at an annual interest rate of 12% over two years, what will the interest be?

$$5,000 \times 0.12 \times 2 = \text{£}1,200$$

**(Amount borrowed x percentage in digits x duration of loan = interest)**

## Meet Jess

Jess works Monday to Friday. She uses her money to help pay for everything her family needs.

Jess has two children. She has a current account and a savings account, but sometimes she has to borrow money from her family or friends to cover more expensive things (like when something breaks in her house).

Jess receives a payslip at the end of every month, so she can see how much money she has for next month.

She also has a credit card that allows her to borrow money from the bank and pay it back.



# Jess's Finances



Jess's Wages: **£1200** per month  
House and bills: **£675**  
Food: **£100**  
Car and petrol: **£185**

This month Jess's boiler stopped working and she needs it fixed. It will cost £420. She has a credit card with a £500 limit.

- Jess's credit card has interest of 18% and she must make payments of at least £50 a month.
- How long will the boiler take to pay back with her left-over money?
- Using the formula how much will her monthly payments be?

## TASK

How would you pay for it all? You have to manage all of Jess's finances. In your groups work out what you'd do.

Is borrowing money on her credit card a good or bad thing for Jess?



**Jess's finances**  
Your plans



# What did we learn today?

1. Definitions of credit and finance
2. What the different types of bank accounts are used for
3. What we pay for on a daily basis
4. The different ways of paying for things
5. Why we borrow money
6. How we pay it back
7. How different people handle their finances

Name one thing you didn't know about before today