

Managing your Budget: Facilitator Guide

Overview and Purpose

This lesson is designed to give an insight into what budgeting is, the importance of it and how to create an effective budget. It is important students can decipher between savings, wants and needs.

At the end of the session students will reflect on the skills and knowledge they have developed and their potential next steps.

Students will be able to:

- Understand what budgeting means
- Understand key terminology
- Have an insight into how to create an effective budget
- Understand how to differentiate between their wants and needs

Vocabulary

- Budget - A plan for how money will be spent. It helps guide you on how to spend money wisely and make thoughtful spending decisions
- Income - The money received on a regular basis through work or investment
- Expenses - costs that you incur

Preparation / Materials Needed

- Chart Paper / Post It Notes
- Marker pens
- Download the session PowerPoint

For virtual delivery, students can make their own notes (on paper or on a device) and can download their own copy of the activities pack.

Agenda

Getting Started - Introduction to Budgeting (10 min)

- What does money mean to you?
- Why is budgeting important?

How to start budgeting (15 mins)

- Deciphering between wants and needs
- Steps to create a budget
- 50/30/20 rule

Creating a budget (10 mins)

- What does a budget look like?
- Activity: Creating a budget

Wrap up and Reflection (5 min)

- Reflect on what we have learnt in the session

Managing your Budget: Teaching Guide

This guide includes a suggested script for the session (in orange). However, please feel free to tailor and adapt this accordingly when delivering.

Section 1: Introduction to budgeting (10 minutes)

Good morning/afternoon everyone. My name is _____. Thank you for having me in your class today. Today we are going to talk about Budgeting..

Share the agenda (slide 2) and explain what the session will consist of.

Move to slide 4 and ask students to create a mindmap with words and phrases they associate with budgeting thinking about the long and short term priorities. Ask the students to share with the class if time permits. (3 mins)

Move to slide 5 and explain why budgeting is important. (2 mins)

Section 2: How to start budgeting (15 mins)

Move to slide 7 and explain to students to budget effectively you must be able to differentiate between wants and needs. Ask students to discuss in pairs how they will categorise the below expenses into wants and needs. Slide 8 gives an example of how they can be categorized, but it is important the students remember how different factors in their life might influence these wants and needs. For example - a laptop might be a need for someone who works but a want for someone who would like to use it for recreational use eg playing video games or watching movies. (7 mins)

Move to slide 9 and explain how students can start budgeting. (2 mins)

Move to slide 10 and explain the 50/30/20 rule which is a simple budgeting guideline to help individuals allocate income into different categories. (2 mins)

Creating a budget: (10 mins)

- Move to slide 12 and explain what a budget looks like, highlighting that this will vary hugely between individuals. (2 mins)
- Activity - move to slide 13 and ask the students to create a budget for an individual with a salary of £2,000. (10 mins)

Wrap up and Reflection: (5 mins)

Reflect on the things the students have learnt in the session. Ask them to consider the bullet points on slide 16. (5 mins)