



# Banking and budgeting basics

Age range: 7-11

 **BARCLAYS** | LifeSkills



# Session overview

Time	Key learning outcomes	Resources
20-30 mins	<p>By the end of the activity pupils will be able to:</p> <ul style="list-style-type: none"> <li>Understand some of the ways to manage money</li> <li>Recognise how using a bank account keeps money safe and can help them save</li> <li>Practise being responsible for managing their own money</li> <li>Know how to keep track of their money, and set and stick to a budget</li> </ul>	<ul style="list-style-type: none"> <li>Banking and budgeting presentations slides</li> <li>Banking and budgeting pupil worksheet</li> </ul>

This is one of five lesson plans, each designed to build upon teaching students how to form good money habits for the long term.

The activities in this session can be used flexibly, as a standalone lesson or delivered as part of a series alongside the other four lesson plans. We recommend starting with [Samir's birthday budget challenge](#), as this sets the scene and helps young people relate back when carrying out the subsequent activities, which can be delivered in any order.

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

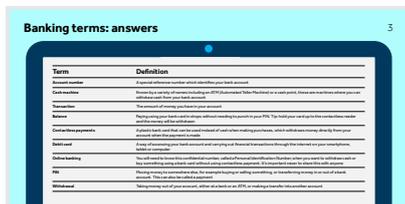
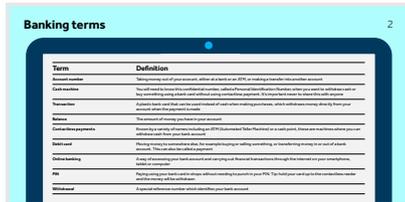


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# Activity one

## Banking vocabulary



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.

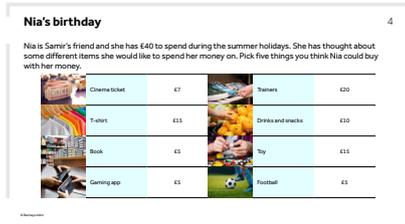
If you have completed [Samir's birthday budget challenge](#), then you can link this activity back to Samir's story.

**Samir has had a bank account since he was 11 years old and has learnt quite a lot about banking. 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
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

# Activity two

## Basics of budgeting



This activity can be completed by showing the budget and items on the presentation slides or printed as 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.

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

Nia is Samir's friend and she has £40 to spend during the summer holidays. She has thought about some different items she would like to spend her money on. Pick five things you think Nia could buy with her birthday money.

Cinema ticket	£7	Trainers	£20
T-shirt	£15	Drinks and snacks	£10
Book	£5	Toy	£15
Gaming app	£5	A football	£5

Pupils need to 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:

- 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?**
- 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?**

# 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
<b>Total</b>	
<b>Remaining balance</b>	

Pupils can use **slide 5** to 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. You can print this worksheet or download and share it with your pupils digitally, to access the lesson plan page [click here](#).

**Ask the class to think about the terms – spend, save and donate. Can they explain what these mean? Which of these would they recommend Nia does with her money?**

To finish the lesson, ask the class to think of one thing they will stop doing and one thing they will start doing as a result of what they have learned.