

Budgeting for a holiday

People take holidays during different periods of their life and sometimes go away. They may go to Spain, take a city break to Paris, go on a camping trip in the Lake District, or somewhere completely different!

It doesn't matter where people go - one of the most important things is **sticking to a budget** when deciding *where to go* and *what to do*.

Someone wouldn't want to spend all of their money on flights and a fancy hotel and have nothing left over to spend while on holiday.

Activity

- In pairs you are going to **plan an ideal five-day summer holiday** for the **person's profile** you have been given.
- The holiday lasts **five days**, but the first and last are travelling so you don't need to **book activities** for **three days**.
- Your profile will need to **travel there and back**, **book accommodation for four nights**, **eat on four nights with five lunches** and enjoy various **activities**.
 - You can choose **up to six activities** and **three items of shopping**.
- **Breakfast is included** at all of the accommodations.

Your role is to plan a trip that best matches the profile of the person given to you!



Budgeting activity sheet

Profile name:..... Job:..... Destination:.....

Contingency money for emergencies 10%	You can do your working out here. Finding 10% is the same as multiplying by 0.1. For example, find 10% of £1,000. $£1,000 \times 0.1 = £100$				
	Expense Name the item	Expense Name the cost	Need or want	Expense price after inflation (applies to some)	How much money is left
Income Holiday budget amount					
Contingency money					
Accommodation Night 1					
Accommodation Night 2					
Accommodation Night 3					
Accommodation Night 4					
Travel there and back					
Total cost for lunches					
Total cost for dinners					
Activity 1					
Activity 2					
Activity 3					
Activity 4					
Activity 5					
Activity 6					
Shopping item 1					
Shopping item 2					
Shopping item 3					
Money remaining					

Income - Money coming in to spend

Expenses - Money going out to buy things

The four profiles

Your teacher will allocate you **one** profile to work with in pairs.



Karim

Karim has five years of work experience and realises that he likes flexibility in his work and working on lots of different kinds of projects. He is creative but also business oriented. He is vegetarian, cares about animal cruelty and likes to reduce his carbon footprint when it comes to his spending decisions.



Zara

Zara is motivated by using her numeracy skills in her job and enjoys working in the City of London where she can earn a high salary. She's also happy to work in the evenings and over weekends, at time. She's now looking for a promotion. In her time off, she likes taking the time to read, go swimming and enjoy nice food and restaurants with friends and family.



David

David is driven and hardworking. He went to university and has a degree in Business Management. He is looking for a job with a steady income and the opportunity to make a commission. His passion is sport and he coaches a local football team in his spare time. He also loves meeting new people and getting involved in outdoor activities.



Lucy

Lucy is a student, loves cooking and is passionate about music. One of her favourite things to do is go to live music concerts. She enjoys spending time with her friends and is looking for a part-time role that enables her to make some extra money that can go towards a summer holiday.

Activity guide

Stage 1: Choose a job

Choose an appropriate job for your person that matches their profile, including their skills and values. You'll find out their salary and how much money they're willing to spend on their summer holiday.

Then allocate **10%** of the holiday money for emergencies. It's really important to have this *contingency money* if something goes wrong! Add your decisions to the top of page 2.

Jobs

Job 1: Bank job in the City of London earning £47,000 per year. They have allocated **£1,000** for the summer holiday.

Job 2: Free-lance (self-employed) graphic designer earning £32,000 per year, working on lots of different projects. **£600** has been allocated for their holiday.

Job 3: Estate agent earning commission. They earn £12,000 per year base salary and an additional £3,000 from commission. Their holiday budget is **£700**.

Job 4: Part-time barista role in a family-owned coffee shop in the city centre. They earn monthly wages on average of £500 and are budgeting **£350** for their summer trip.

Stage 2: Choose key features for the holiday

You need to choose suitable accommodation, travel, activities, food and shopping items. Complete the table 'expenses' columns as you go.

Accommodation.- choose one for 4 nights

1. Luxury resort. Lots of restaurant options and a spa.

£100/night

2. Resort good for groups and activities like scuba diving and snorkelling.

£70/night

3. Staying in a tree house trip in an animal and forest preservation area.

£50/night

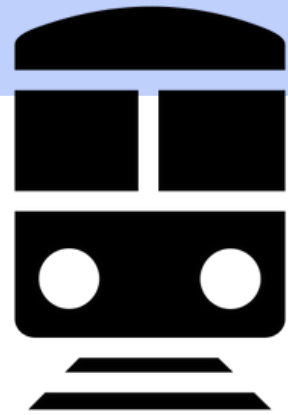
4. Camping out at a music festival.

£20/night for tent reservation area

Activity guide continued....

Travel - includes there and back

1. Train - £90
2. Aeroplane business class - £160
3. Ferry and rental car - £95
4. Aeroplane economy - £100



Activities - choose up to 6

- Rock climbing in a group - £20
- Spa treatment - £40
- Music concert tickets - £40 per day
- Captain Cook's Museum - £30
- Aquarium visit - £5
- Art day - £10 per person with all materials thrown in
- Happy Land Amusement Park - a half-day experience for £15 per person
- Go-Karts-1/2 day costing £7 per person
- Horse riding - £30 for a day
- Snorkelling - £10 for a guide and to borrow equipment for the day
- Scuba diving - £50 for a day out
- Shopping - £25
- Festival tickets - £40 per day



Activity guide continued...

Food - choose 3 lunches and 4 dinner

- Packed lunches - £2 per person per meal
- Jean-Paul's Restaurant - French fine dining cuisine costing £15 per person, but you get a free drink
- Dave's fish and chips - £5 per meal plus £1 per drink
- Emily's Mexican - £6 per main course, £3 per dessert and £1 per drink
- Local cafe - £3 filled baguette of your choice and £1 for a juice
- Francois' fine dining - £30 per all inclusive meal
- Vincent's Veggie - £10 per meal



Shopping items - choose up to 3 for packing

- New T shirts - £5
- Designer t-shirt - £60
- New shoes which are good for outdoorsy activities - £10
- Festival accessories - £14
- Tent and camping gear - £70
- New warm jumper - £8
- New hand bag - £12
- Swimsuit - £8



Activity guide continued

Stage 3: Needs vs wants

Complete the 'needs and wants' column by noting which expense is a need and which is want.

Newsflash!

ANNOUNCEMENT: Inflation means that the holiday activities are now 10% more expensive. How does this impact your budget? Do you need to change or take away any activities or shopping items?

Finding a 10% increase means finding 10% of the amount and adding it on. For example, rock climbing in a group costs £20. If it becomes 10% more expensive, we find 10% of £20 and add it on. We first note that finding 10% is the same as

multiplying by 0.1

$$£20 \times 0.1 = £2$$

$$£20 + £2 = £22$$



Stage 4: Stretch (optional) - Inflation task

Reflect on anything that needs to change and add these changes to your table under the 'Expense price after inflation' column.

Remember you still want to keep 10% of your budget as contingency money.

Stage 5: Calculate how much money you will have left, working through row by row and completing the end column.

Prepare to share what you have learnt with the class

Stage 6: Reflection

Answer the following questions.

1. Did you manage to plan the holiday sticking to the budget? Were you a cash splasher or wallet watcher?
2. How was the budgeting different or similar to what you expected?
3. Does your holiday fit your person's values and interests?
4. What are the main things you've learnt from budgeting?