

Learning objectives

1. Identify different ways to save for the long term
2. Compare different savings products and assess best options for different people
3. Calculate interest for different savings accounts

Resources needed for the lesson [worksheets, print-outs etc]

- Session 3 Resource 1 | Savings Accounts: key features hand-out (1 per pair in A3)
- Session 3 Resource 2 | Comparing Savings Accounts (1 per person)
- Calculators
- Mini whiteboards (ideal but not required)

Activity	Description	Timing
LO 1 Identify different ways to save for the long term		
Starter The purpose of saving	Students read the case study and answer the questions on why/ how and what people save for. Teacher to use as a baseline assessment.	5 mins
Ways to save match up activity	Students read about 4 different ways to save for the future, matching the explanation to the key term. Answers on the following slide.	5 mins
Reflection	Students consider which type of saving or types of savings seem most appealing to them and why. Encourage students to use key words when explaining to the class.	3 mins
LO 2 Compare different savings products and assess best options for different people		
Introduction to key features of a savings account	Students label the different elements on their hand-out. See worksheet 1 - 'Savings Accounts: Key features'.	5 mins
Comparing savings accounts	Student activity - students, in pairs, are allocated one of the three accounts to analyse. They should complete the table of advantages and disadvantages by comparing their account to the other two. Students then share their responses as a class. Teacher to use the following slides to support students to draw out key points, and these can be used to support less confident students while they are engaging with the activity. Response to stretch question found on slide 24. See Resource 2 - 'Comparing Savings Accounts'	7 mins
Case studies match up	Students read through the 3 case studies and match the profile to the most appropriate savings account (using worksheet 2 for reference). This exercise should assess learning. Students to present answers on mini whiteboards, if available.	5 mins

LO 3 Calculate interest for different savings accounts

Worked example - Calculating interest earned Method 1	Teacher runs through the worked example of Daniel's interest earned, drawing out key mathematical concepts and calculations. Encourage students to understand the concept of compound interest being when 'next year's interest is calculating on the previous year's interest' meaning money saved (or owed if a loan is made) grows faster and faster over time.	5 mins
Optional stretch Calculating interest earned using Method 2: the formula	The worked example continues with a different approach taken to the calculation - using the formula. Students then apply a method of choice (although the formula method is encouraged) to Suzanne and Smita's case studies. Encourage less maths confident students to calculate Smita's returns.	[5 mins]
The benefit of saving young	Present the graph highlighting the benefits of saving younger. Because of the magic of compounding, these benefits can be big.	5 mins
Interest rates and inflation	It's important for students to understand that inflation erodes the value of savings. Present the slide and invite students to respond to the 2 questions.	5 mins
Plenary - Learning Review	Students write down a fact sheet of 5 key points they have learnt from the lesson.	5 mins