

Lesson plan

Year 7 | Session 2 'Budgeting'

Learning objectives

1. Describe what a budget is and why it is important
2. Analyse budgets, looking at income and expenses
3. Set budgeting goals and plan for the future

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

- Lesson 2 Resource 1 | 'Karim's Budget worked example' - one per student
- Lesson 2 Resource 2 | Lucy's Budget' - one per student

Activity	Description	Timing
LO 1 Describe what a budget is and why a budget is important		
Starter Recap Needs vs Wants	Students sort a list of items into a Venn diagram of needs, wants and those that could overlap with both categories. Briefly discuss which items may overlap and why.	5 mins
Money mindsets baseline assessment	Students, independently, respond to the three statements.	2 mins
Introduction to budgeting	Explore what a budget is, why we use budgets and how people budget using think-pair-share and teacher explanation notes.	8 mins
LO 2 Analyse budgets, looking at income and expenses		
Analysing budgets worksheet	As a class, walk through Karim's budget as a worked example drawing out income vs expenses, needs and wants. Students then complete 'Part A' of their worksheet, applying their knowledge to analyse Lucy's budget. See 'Worksheet 1 Lucy's Budget'	10 mins
Introduction to 50:30:20 budgeting rule	Students are introduced to the 50:30:20 methodology and then revisit their worksheets answering the questions under 'Part B', in pairs. This is followed by a class discussion on the relative merits of the 50:30:20 framework, drawing out that at times it is harder to stick to the ideal than at others. Note: if students need the time to focus longer on Part A of the worksheet - the budgeting 50:30:20 framework can be explained with the Part B questions used as stretch material.	10 mins

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LO 3 Set budgeting goals and ways to plan for the future

Planning for the future

Class discussion on what the 20% remaining money can be used for. Students then individually identify something tangible that they'd like to save to purchase in the future.

5 mins

Plenary - Learning Review

Students answer three key questions related to budgeting for teacher review and then consider how they will use their learning in their daily lives.

5 mins