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## Lesson Plan (Form Lesson)

I. Subject: *We are managing our finances.*

II. Objectives

Main objective:

Developing skills of creating a budget.

Other objectives:

- developing students' knowledge on issues like: budget, income, expenditures, surplus, deficit.
- Developing skills of creating and managing family budget.
- making students aware of the importance of planning income and expenses of a family.

III. Methodology:

Discussion, practical workshop.

IV. Materials:

Work sheets.

V. Lesson's duration:

1. Teacher asks students where people take their money from. Students share their ideas and answers while teacher writes them down on the board. The answers might vary, e.g. salary, pension, donations, benefits, prizes, investments, bank loans, etc.

Next, teacher asks where teenagers take their money from. Students write their answers on the piggy-bank (app. 1). Exemplary answers: pocket money, gifts from family members, salary for petty jobs like: tutoring, helping neighbours, selling school books, handing leaflets, scholarships, etc.

2. Teacher asks students to read a short text (app.2). The text is supposed to make students think how important is good finances managing and that you can't always plan all your expenses, something unexpected can happen.

Key words:

**Budget** – an estimate of income and expenditure for a set period of time.

**Budget surplus** – when one's income is bigger than the expenses.

**Budget deficit** – when one's expenses are bigger the income.

**Budget balance** – when income equals expenses.

Teacher explains the list of things that you have to take into account while planning the budget.

- expected income
- planned expenses
- deciding on priorities (regular expenses, necessities) as well as „luxurious“ things, which means things one can buy later.
- including extra money, e.g. savings for unexpected and unplanned expenses, e.g. fixing washing machine, doctor's appointment, etc.
- after creating the budget one must analyse it in order to make more savings.

3. Teacher presents students exemplary monthly budget of Adam (app. 3) and asks students to say what they think about it. Students share their ideas on how to make Adam's expenses smaller and they write it down in the table (app. 3).

4. Teacher gives students the material (aap.4). Based on it they will have to create a budget for Novak family. They have to carefully analyse all the necessary expenses. They will also have to think about financial expectations of the family and financial possibilities of the parents. It will make students understand why parents sometimes refuse to buy them things

## Appendix 1.



## APPENDIX 2.

It's barely half of the month and Janek has already spent all his pocket money. He was very happy when his grandma gave him 50zl as he had to buy a gift for his mum's birthday. However, the next day one of Janek's friends was selling Janek's favourite video game for 30zl, Janek simply had to buy it. He decided to buy something small for his mum for remaining 20 zl. Later that day Janek was playing a game on his computer till very late at night. He overslept for school next morning so he had to take a bus which cost him 2 zl. In a tuck shop Janek bought a notebook for 1,50zl, a sandwich and soda for another 6zl. After school he went to the library where he found out that he had to pay 5zl for not giving back the books on time. Now he had only 5,50zl for the gift for his mum....

## APPENDIX 3.

Monthly Adam's income	Together (in zl)	Adam's expenses	Together (in zl)	Idea show Adam can save some money
- savings from previous month	30	- sweets	20	
- pocket money		- cinema	26	
- doing shopping for a neighbour	80	- favourite CD	40	
- money given by his grandma	10	- a gift for his grandma's birthday	25	
	50	- Fast food		
		- monthly savings for a bike	23	
			30	
	<b>Together</b> 170		<b>Together</b> 164	

**Surplus: 6 zł**

#### APPENDIX 4.

Plan a monthly budget for a 4-person Novak family. Choose what to spend money on, plan unexpected expenses as savings.

<b>Income</b>	<b>Together (in zł)</b>
Mom's salary	2500
Dad's salary	3000
Savings from previous month	200
Money for letting the garage	150
<b>Monthly expenses</b>	<b>Together (in zł)</b>
Bills:	
- rent	560
- electricity, gas	200
- TV, phones	120
- monthly ticket	80
- instalment for washing machine	150
- mortgage	650
Petrol	500
Food	900
Cosmetics, cleaning supplies	90
Children's pocket money	200
English lessons for daughter	160
AIKIDO trainings for son	120
Savings for holidays	200
Savings for daughter's college	200
<b>Extra spendings</b>	<b>Together (in zł)</b>
Winter jacket for daughter	150
Fashionable shoes for son	250
Mum's visit at hairdresser's	70
Dash cam	130
Son's school trip	150
Gift for grandparents' wedding anniversary	120
Theatre ticket for mum	80
Language cam for daughter	1500
Birthday present for son's friend	40
Appointment at the dentist's	100
School book for daughter	40
Warm gloves for dad	60
New handbag for mum	90