

Balancing budgets

TEACHER'S NOTES



Directions

Introduce the concept of **budget** to students. A budget is a plan you make for how to spend or save money. A budget must account for your **expenses**, the money you spend on needs and wants, as well as your savings. A **balanced budget** means that the money you have to spend is the same or less than your expenses.

Directions

When students have been working for approximately 25 minutes (or have finished), announce that it has begun to rain heavily at the festival. They must either purchase an umbrella for £10 or a disposable rain poncho for £4. How will they adjust their budgets? Give students 10 minutes to rework their numbers and then ask for volunteers to share their budgets.

Ask individuals to comment, or ask for a show of hands:

- Were you surprised by the change?
- Did you have money left over in your original budget, or did you need to make an adjustment?
- How did you adjust? Did you have to give up something you wanted?

Discuss the concept of a **rainy day fund**, which is money you set aside to cover unexpected costs that pop up. Explain to students that it's always good to have a little extra money set aside for emergencies.

| Item | Price | My Expenses |
|-----------------------------|------------------------|-------------|
| Transportation (required) | £10 | |
| Admission ticket (required) | £20 | |
| Programme | £6 | |
| Blanket | £9 | |
| Fish and Chips | £6.20 | |
| Sandwich | £5.25 | |
| Water | £2 | |
| Juice | £3.50 | |
| Souvenir | £7.75 | |
| T-shirt | £8 | |
| Poster | £6 | |
| Ice-cream | £3 | |
| Candy Floss | £3 | |
| | TOTAL | |
| | MONEY LEFT OVER | |

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#numberday

