

# Intro to Budgeting



## Objectives

By the end of the lesson, the students will be able to:

- a) Understand that a budget helps them distinguish between needs and wants



## Instructions

Before the lesson you should have asked your students to bring in some newspaper pages showing the pictures of different items and their prices. You might want to bring some in too. For the final activity you will need ten pebbles or coins or balls of paper.

1. Write the word '*Budgeting*' on the board. Ask the students;
  - What does this word mean?
  - Have you ever had to budget before, or seen anyone else do it?
  - How about when you go to the shop and want to buy lots of things but don't have enough money?
  - Do you decide what you want to buy and what you are willing to let go?
  - When your parents take you out to buy something, do they question what to buy and what you are willing to let go?
  - Do you think it is difficult to budget?
2. Place the newspaper pages showing the pictures of items and prices in different places around the classroom.
3. Have the students form groups of four or five and give each group a sheet of paper and pencil. Ask the groups to split their sheets of paper into two columns – one headed *Needs* and the other *Wants*.
4. Inform the students that they will take part in a 'Running Dictation' activity. Explain that one member of each group will remain seated with the paper and pencil while the other group members go around the classroom looking at the newspaper pages. The students walking around need to memorize an item that they see on the newspaper page, return to their group member, tell him/her what they saw and together list it in the appropriate column.
5. Have the students form a circle and hand out the ten pebbles to random students. Inform the class they will play 'pass the pebble' in which they need to pass the pebbles around the circle and when you say 'stop' the ten students holding a pebble will (one by one) need to answer the following questions.
  - Have you ever wanted to spend money on something just because you saw the advertisement? Do you think this is a good reason to buy something?
  - How could you use what you learned today to make your own budget to save for something you want or need?
  - How might other, non-financial resources add to the amount of money we have?

If you are working in a crowded class with many students you do not need to form a circle. In that case simply ask students to pass the pebbles to other students who are sitting nearby.