



MAKE MONEY MAKE SENSE



Borrowing Lesson plan 1 16-19

Teaching aims of the session	Possible teaching activity	Learning outcomes
<p>To explain the concept of borrowing money.</p> <p>To explain the different ways of borrowing money.</p> <p>To explain the different costs of borrowing money.</p> <p>To encourage students to shop around for the best deals.</p>	<p>Look at how borrowing money works in various forms. <i>Brainstorm, class work or pair work</i></p> <p>What are the various forms of borrowing money? Try and get the students to mention the different forms below. <i>Brainstorm, class work or pair work</i></p> <p>Discuss each different form of borrowing. <i>Brainstorm, class work or pair work</i></p> <p><u>Loans</u> What is a loan? When you borrow money from a bank or other lender you enter into a contract with them which governs the repayment. <i>Brainstorm, class work or pair work</i></p> <p>Suggested materials Use the loan example in the PowerPoint presentation.</p> <p>Discuss the different interest rates and how they effect repayment. <i>Brainstorm, class work or pair work</i></p> <p>What is APR? Discuss annual percentage rates. <i>Brainstorm, class work or pair work</i></p> <p>Discuss payment protection insurance. <i>Brainstorm, class work or pair work</i></p>	<p>Students will be able to recognise the different methods of borrowing.</p> <p>Students will be able to recognise the importance of shopping around for the best deals.</p> <p>Students will understand their responsibilities and consequences when borrowing money.</p>



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Overdrafts

What is an overdraft? An overdraft is an agreement with your bank to take out more money from your current account than it currently contains. *Brainstorm, class work or pair work*

Discuss the terms and conditions of overdrafts. What are they and what do they mean?

Suggested handout

Example of terms and conditions for an overdraft facility

Suggested materials

Use the overdraft example in the PowerPoint presentation.

Credit cards

What is a credit card? Credit cards give you a separate account from which you can borrow money. You can use the card to pay for goods or services in shops, by phone or via the internet. *Brainstorm, class work or pair work*

Suggested handout

Example of credit card statement

Suggested materials

Use the overdraft example in the PowerPoint presentation.