 Financial literacy: budgeting and saving money

Suggested duration: 85-120 minutes

Suggested course outcomes

3.1 Evaluate how contextual factors influence attitudes, values and behaviours.

5.1 Critically analyse situations, attitudes and behaviours that influence independence, health, safety and wellbeing in different contexts.

7.1 Demonstrate financial management, digital literacy and enterprise skills to facilitate education, workplace and community engagement.

7.3 Apply skills to take personal responsibility for their actions to protect and enhance the independence, health, safety and wellbeing of others.

What do we want students to know, understand or be able to do?

* Recognise their current spending habits and what influences their spending.
* Develop a budget to allow for necessary spending and saving.
* Recognise simple saving strategies and use goal setting and financial literacy skills to create a savings plan for a future event.

Suggested content

| Learning context | Content |
| --- | --- |
| Independence  Focus: Preparing for participation in community, education and employment | Preparing for further education and employment   * leaving home, e.g. renting, responsibilities, share housing * paying for further education and accessing financial support   Financial independence   * credit, debt and savings * consumer and medical rights and responsibilities * purchasing online and offline * financial management, e.g. budgeting, loans, leasing, tax, superannuation, accessing money overseas |

Teaching notes

Teachers should choose materials and activities that meet the needs of their students and local school context.

Creating a safe and supportive learning environment

There are a number of strategies that can be used to create a supportive learning environment which enables students to feel safe to learn and ask questions. They include:

* making students aware at the beginning of Life Ready sessions that disclosing personal information that indicates they may be at risk of harm will be reported to the school principal in all instances. This includes personal disclosures related to instances of abuse, drug use, neglect or sexual activity under the legal age of consent.
* being aware that some parts of Life Ready can be confronting and sensitive for some students.
* enabling students to withdraw if they find issues personally confronting to protect them from making harmful disclosures. Equally, it is important to be prepared for issues that arise as a result of a student making a public disclosure in the classroom.

More information on creating a safe and supportive learning environment can be found on the [Life Ready website.](https://education.nsw.gov.au/teaching-and-learning/curriculum/key-learning-areas/pdhpe/life-ready)

Evaluating resources before use

Preview and evaluate all strategies, resources and teaching and learning approaches in full before use with students to determine suitability for student learning needs, stage of development and local school context. Consider the age, maturity, cultural background, sexuality, gender, sex, health and other characteristics of students in your care. Apply professional judgements to all strategies, teaching and learning approaches and resources including audio visual materials (e.g. videos, media clips and YouTube), interactive web-based content (e.g. games, quizzes and websites) and texts.

Use the [resource review flowchart](https://schoolsequella.det.nsw.edu.au/file/083acd3a-daca-4307-9afe-bc6c888f694a/1/final-resource-flowchart-html5.zip/index.html) to decide about the suitability of teaching and learning resources.

Materials should be reviewed in full and endorsed by the school principal before use in NSW government schools.

Communication with parents and caregivers

Some aspects of Life Ready may be viewed as sensitive or controversial, such as learning about abuse, child protection, drugs, respectful relationships, sexual health, sexuality and violence. Inform parents and carers, prior to the occasion, of the specific details of the Life Ready program, so that parents and caregivers have time to exercise their rights of withdrawing their child from a particular session. In this regard, a parents or caregiver’s wish must be respected.

Establishing how parents and caregivers will be informed about programs and involved in consultation is a school-based decision. Where parents and caregivers indicate they wish to withdraw their child from a program it is useful to negotiate which parts of the Life Ready program they are concerned about. A sample information letter is available on the [Life Ready website](https://education.nsw.gov.au/teaching-and-learning/curriculum/key-learning-areas/pdhpe/life-ready).

Lesson experiences

Some considerations: Sensitivities for students who do not earn money or whose families are lower-income earners. The group discussions should be general in nature. If students are given time to develop any specific budgets, they should have the opportunity to do so privately and independently.

Activity one – Introduction to budgeting (10-15 minutes)

* Discuss the fact that most Australians begin considering how to budget because they have a particular goal in mind.
* As a whole group, visit the [ASIC MoneySmart saving statistics webpage](file:///C:\Users\NWILSON52\Desktop\ASIC%20MoneySmart%20saving%20statistics%20webpage) (https://www.moneysmart.gov.au/managing-your-money/saving/how-australians-save-money) and discuss the various statistics featured on the website.
* Students to feed back about any information they found interesting and/or surprising.

Activity two – Where does your money go? (15 minutes)

* As a whole group, introduce the concept of budgeting as working out where your money is going, living within your means and a tool to achieving a particular financial goal.
* In small groups, students are to discuss the various items and activities they spend money on. A member of the group should record these responses.
* As a whole group, students are to share the answers from the small group task and record the answers.
* Students to complete a blank table with the items and activities that would be relevant to them in developing a budget.

Activity three – Managing your finances (20 – 30 minutes)

* Visit the [ASIC MoneySmart budget planner](https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/budget-planner) (https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/budget-planner).
* According to the website, the budget template enables you to work out where your money is going, create your own custom items and change currency symbol, save your results online or use an Excel budget spreadsheet.
* Students to develop a personal budget by completing the budget planner or the Excel budget spreadsheet.

Activity four – Simple ways to save money (20 – 30 minutes)

* As a whole group, have students brainstorm some simple ways they believe you could save money as a discussion starter.
* Split students into small groups and allocate them a number 1 to 6.
* Students to visit [ASIC MoneySmart’s ‘Simple ways to save money’ webpage](file:///C:\Users\NWILSON52\AppData\Local\Microsoft\Windows\Temporary%20Internet%20Files\Content.Outlook\ES6JMFQY\ASIC%20MoneySmart's%20'Simple%20ways%20to%20save%20money'%20webpage) (https://www.moneysmart.gov.au/managing-your-money/budgeting/simple-ways-to-save-money)
* The website gives six suggestions. Each group should explore the tips according to the number they have been assigned.
  + Change one habit and save
  + Start saving with a friend
  + Save on clothes
  + Find savings on food, groceries, electricity and water
  + Reduce your bank fees
  + Try the Saver Plus Program
* Students are to record some ideas about how they might implement that particular strategy.
* Each group is to merge with a ‘partner group’ with a different number and discuss the strategies they’ve each come up with and give each other feedback on the usefulness of the particular strategies. Swap/hand over your notes.
* Students are to come back together as a whole group and explain to everyone the strategy that their ‘partner group’ learnt about. Take questions and feedback from the whole group.

Activity five – Case study (20 minutes)

Selina and her friends are planning to go to Schoolies Week in Surfers Paradise. The package is $719 per person plus a $200 bond each. To book the room, Selina will need to pay a $150 deposit and the rest of the package when they arrive in Surfers. Selina’s parents have agreed to give her spending money for the trip but it is her responsibility to pay for the deposit and the package deal. Selina works casually at Officeworks clearing $123.84 per week. Her only regularly expense is $50 of mobile phone credit each week but she is only able to go out with her friends at the weekend if she pays for it. She has $75 currently saved and it is 20 weeks until Schoolies Week.

In small groups, work out a plan for Selina that details when she will be able to pay her deposit and ensure that she will have enough for the rest of the package and bond in 20 weeks’ time, as well as still be able to hang out with her friends in the lead up.

Resources

Suggested additional resource for students around budgeting and saving money

ASIC MoneySmart’s Savings Goal Calculator

Useful resource for the case study (Activity five): [ASIC MoneySmart’s Savings Goal Calculator](https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/savings-goals-calculator) (https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/savings-goals-calculator)

TrackMySPEND app

[TrackMySPEND App Introduction video](https://www.youtube.com/watch?v=RoYCJWcNIoU) (https://www.youtube.com/watch?v=RoYCJWcNIoU)

Students can also [download the TrackMySPEND app](https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/mobile-apps/trackmyspend) (https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/mobile-apps/trackmyspend)

The app has the following features as detailed on the above website:

Use TrackMySPEND to record the following types of expenses:

* Your weekly household budget
* Costs for special events like weddings or celebrations
* Work or travel expenses
* Coffees, lunches and any other cash expenses that you find hard to record

TrackMySPEND allows you to:

* Nominate a spending limit (per week, fortnight, month or year) and track your progress
* Separate 'needs' and 'wants' to identify opportunities to save
* Create 'favourites' so you can track frequent expenses
* View your expense history
* Add 'tags' to categorise expenses and set spending limits for each category
* Create expense reminders sent as text messages to your phone
* Auto-fill expenses based on past entries

Simple Money Manager

Students can access the [ASIC MoneySmart’s Simple Money Manager](https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/simple-money-manager) (https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps/simple-money-manager)

ASIC MoneySmart’s website

[ASIC MoneySmart Website](https://www.moneysmart.gov.au/managing-your-money) (https://www.moneysmart.gov.au/managing-your-money)