



Personal
Finance
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MY PERSONAL FINANCE SKILLS



Personal Finance Assembly– Presentation Guide

Introduction

This assembly session has been developed for **Key Stage 3 and/or 4** students, to help them understand some of the basics of personal finance.

Schools and colleges may choose to follow up this session through their PSHE or enrichment curriculum or book a My Personal Finance Skills free financial education workshop (with up to 35 students).

Financial Education Planning Framework

The Financial Education Planning Framework is a national framework that aims to support the planning, teaching and progression of financial education by setting out the key areas of financial knowledge, skills and attitudes. This session aims to develop the following:

- I know I can save or invest my money in the short-term to provide for my future (longer-term) needs and wants.
- I can describe the benefits of long-term regular saving e.g. protection against unforeseen events like unemployment, to fund my future lifestyle.
- I understand that I am responsible for my future financial security and can improve my own financial situation through the choices I make.

Session Outline

The focus of this session is to help young people to understand some of the basic principles of personal finance

Learning Objectives:

By the end of the session the students should be aware of:

- ✓ What is meant by Personal Finance
- ✓ How savings add up
- ✓ Different ways to pay
- ✓ Why managing your money matters

In advance

Before you arrive at the school/college

- Check with the school/college whether PowerPoint will be available for you and the approximate number of students likely to be present. (The assembly can be presented



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from these notes alone if PowerPoint is not available or the group will be too large for it to be practicable)

- Ensure you have read through the notes (and slides if you are using them), are comfortable with the content and have noted the timings
- When preparing for your visit, make sure you have something prepared to say on Slide 3 (a bit about me...)
- Ensure that you have viewed the relevant training webinar and have passed the financial education sign off process with the My Personal Finance Skills team.

What you will need

For this session you will need:

- this presentation guide
- optional: PowerPoint presentation
- to ask the school to have access to either a PC or laptop and projector, regardless of whether you are using the PowerPoint (see final bullet point below)
- Internet access – this assembly includes a link to a YouTube video and a Teachers' TV video plus an online savings calculator
- Where a session has been scheduled with the My Personal Finance Skills team, the PowerPoint will be sent over to the teacher upon confirmation and 1 week before the session is due to take place.

Length of session

This session is expected to take approximately 30 minutes to deliver. There is a 5-minute float in the timings to allow for slippage.

Session Guidance

There is a link on the title slide to Abba's Money Money Money, if the equipment is available you might like to have this playing before you start.



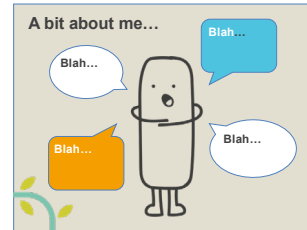
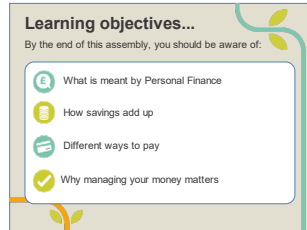
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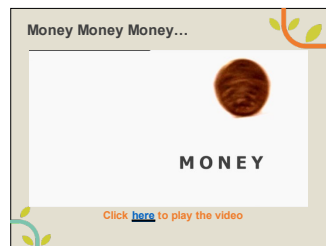
General Introduction – slides 1-3 (4 minutes)

Introduce the session topic and the learning objectives.



Explain a little bit about yourself, your job, the role of the Personal Finance Society and the My Personal Finance Skills programme. Students are often curious about visitors and what they do.

Personal Finance - slides 4 - 5 (5 minutes)



Explain that Personal Finance is about them and their money

- How they keep it safe
- How they spend it
- The decisions that they make about saving or spending

Stress that personal finance and money management isn't always about scrimping & saving, always choosing the cheapest option and having to do without things that you want. It's about making sensible & informed decisions.

Show the video full screen at: <https://www.tes.com/teaching-resource/teachers-tv-secondary-pshe-money-6085342>. The video starts at 00:15 and last for just over 2 minutes. **NB** – You will need to open the video via the link on Slide 5. Please share the link with the teacher via the chat window of the platform.



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Keeping your money safe – slides 6 - 7 (3 minutes)

How can you keep your money safe?

A. You could hide it somewhere at home
 B. You could ask someone else to look after it for you
 C. You could put it in an account with a bank or a credit union
 D. You could carry it about with you all the time

Which of these is the safest option?

Financial Organisations

There are lots of places where you can keep your money

- High street banks with physical branches you can visit, eg Barclays, NatWest, Lloyds etc
- Online banks and apps where everything is done via the internet, eg Monzo, Revolut, Tridoss etc
- Credit Unions, which are a bit like a local bank. There are rules about who can join, you usually have to work for the same employer or live in a certain area.
- Or, you might have been bought some Premium Bonds, you don't get any interest, but you have a small chance of winning a cash prize each month

Talk through these options to the students and ask them which one is the safest:

- A. You could hide it somewhere at home
- B. You could ask someone else to look after it for you
- C. You could put it in an account with a bank or a credit union
- D. D You could carry it about with you all the time

Depending on the number and age of the students, you could ask them to stand up if they think that A is the best choice, then B etc.

Optional: Using an ATM Safely – slide 8 (2 minutes)

Top Tips for using an ATM safely

Most people use an ATM to pay in and/or take out cash although there is an increasing trend of cashless payments.

- Make sure the area is well-lit and feels safe
- Check that there is no-one standing too close to you
- Check that the machine looks ok
- Never say your PIN out loud and cover your hand while you enter it
- Put your money away quickly
- Remember to take your card!

Optional slide depending on timing. It is likely that most students will use a cash machine to withdraw money and important to highlight some key points.

Cards – slides 9 -10 (4 minutes)

Use Slide 9 to briefly explain the meaning of credit and ask students how many different types of credit they are aware of.



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Cards – debit cards

Debit cards

- Most bank and building society accounts offer you a debit card
- You can use your card in place of cash to pay for things
- You can also use it to withdraw cash from an ATM
- Your card is linked directly to your account and the money is taken out almost immediately

Pre-paid debit cards

- Anyone can have a pre-paid debit card
- You load some money on when you first buy the card and can then only spend this amount
- The cards can be topped up in some shops, over the phone, or online
- Like a bank debit card you're paying for things with your own money

Credit

- Credit is when you borrow money instead of spending your own
- You pay back the amount you have borrowed later and may be charged interest
- You must be 18 before you can get credit

There are lots of other type of credit, including:

- Credit card
- Store card
- Overdrafts
- Personal loans, e.g. from your bank
- Mortgages

There is nothing wrong with credit as long as you use it properly and make sure you can pay the money back!

Explain the difference between a bank debit card and a prepaid one. Debit cards are different to cash cards, as a cash card can't be used to make purchases.

You could ask how many students already have a debit card.

You don't need to have a bank account to have a pre-paid card. They can be a really good idea if you might be tempted to spend more than you intend or want to limit your spending, e.g. when shopping online or in in-app purchases etc

Credit – slides 11 – 15 (15 minutes)

Use slides 11 – 13 to briefly consider credit apps. How many students are aware of Klarna?

Credit apps

There are several buy now pay later apps including:

The best known one is Klarna...

Credit apps Klarna.

- Klarna allows you to "try before you buy" at lots of online shops
- If you qualify for their pay later service, you don't have to pay for your order straight away
- This means you can get a big pile of clothes delivered, try them on, send back any you don't like and pay only for what you keep.

Credit apps Klarna.

- Klarna doesn't charge interest, fees or late charges to customers
- They make their money through transaction fees from online shops
- Klarna say that they can increase the average online orders by 30% and the average spend by 34%...that's a huge increase for the shop
- As you don't have to pay immediately it's very easy to be tempted to spend more than you intended or what you can afford!

(Regarding Klarna, debt advice firm PayPlan, says: "This form of introduction to credit does not encourage budgeting and supports the 'I want it now' purchases of items people may not be able to afford. We have seen a worrying increase in the number of young people contacting us for free debt advice. It now makes up more than a fifth of our total client base.")

<https://www.theguardian.com/money/2018/nov/17/klarna-buy-now-pay-later-system-that-is-seducing-millennials>

Stress that there is nothing wrong with using credit as long as you use it properly and make sure you can pay the money back!



Making Informed Choices – slides 14 – 17 (15 minutes)

Debt - Did you know?

Debt is essentially borrowing against your future income. You are choosing to have money now that you will then repay out of your future income, but you will also pay an extra cost because you're borrowing it.

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Debt

- Debt means money that has been borrowed but not yet been paid back
- When you use credit, you create debt
- If you make a £100 purchase with a credit card, you're now £100 in debt
- If you make more purchases with the card, your debt grows
- If you make a payment off the card balance your debt shrinks

Not all debt is bad

It can be really sensible to borrow money as long as

- it's for a good reason and
- you have a realistic plan for paying it back



Good Debt	Bad Debt
<ul style="list-style-type: none"> • Debt means money that has been borrowed but not yet been paid back • When you use credit, you create debt • If you make a £100 purchase with a credit card, you're now £100 in debt • If you make more purchases with the card, your debt grows • If you make a payment off the card balance your debt shrinks 	<ul style="list-style-type: none"> • Not being able to afford the repayments • Borrowing money to buy things you don't really need • Not shopping around to get the best credit deal
<p>AP</p> <ul style="list-style-type: none"> • Student loan • Mortgage • Investing in your own business • Buying a car you can afford 	<p>BP</p> <ul style="list-style-type: none"> • Luxury holiday you can't afford • Buying something expensive on credit • Racking up car credit balance

Use the information on the slides to explain what it means to be in debt and the link with using credit


Explain that not all debt is bad!

It can be really sensible to borrow money as long as it's for a good reason and you have a plan for paying it back.

Make the distinction between good debt and bad debt. Can the students think of any other examples?

Savings – slides 18 – 19 (2 minutes)

Savings



How much can I save?

Savings calculator

How much do I need to save each week/month to reach my goal?

What is your savings goal? (in £)

When do you need your savings by?

Month: Year:

How much have you saved already? (in £)

Give annual interest rate on your savings (in %)

Explain how regular saving can very quickly add up.

With the Penny Challenge you save 1p on Day 1, then 2p on Day 2, 3p on Day 3 and so on. So, on Day 100 you save 100p = £1 and on Day 365 you save £3.65

At the end of the year would have saved **£667.95!**

If time allows and you have access to a projector, you might like to demonstrate the Saving Calculator at: https://www.moneyadvice.service.org.uk/en/tools/savings-calculator/how_much which looks at how much you would need to save each month to reach a set goal.



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Ways to Pay – slides 20 - 21 (3 minutes)



The only choice used to be between cash, debit/credit cards or cheques. Now there are many different ways available to pay for goods and services.

Peer-to-Peer transfers

Send money to friends, family and traders using a mobile phone app. You can also send money to friends using social media platforms

Digital Wallets

Apps that allow you to store all your credit, debit and customer loyalty card details on your phone.

Mobile Payments

Paying for your purchase using your phone inside a shop e.g. paying for your supermarket shopping without needing to go to the till, using your mobile to pay for food at a restaurant

Digital Currencies

Paying for items using your digital currency e.g. Bitcoin, there are some cafes in England where you can pay using Bitcoin.

Stress that whichever method you use, the important thing is to keep track of your spending.

It is likely that you'll soon be able to pay with your face!

In-app Purchases slides 22 - 23 (2 minutes)



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In-app Purchases
Watch out—so-called free apps may have hidden costs!

An in-app purchase is any extra charge above the cost of downloading the app, if there is one. Many in-app purchases give you access to additional features, virtual currency, extra lives or you may need to pay a subscription to use the app after a free trial ends.

Basketball game cost our family £2,000
My 16-year-old son spent nearly £2,000 of my money on EA's NBA basketball game.
We used my bank card and I didn't realise until I had a payment declined.

Danny Klitchko downloaded £28.99 add-on 19 times in just 10 minutes

It's every parent's nightmare. As his 16-year-old son downloaded four new up-to-date £5,000 HD - sending his mother height overdrive - after using Google Play to try to buy credits for his favourite tablet games.

In-app Purchases

If you think that you might be tempted to spend too much, then you can ask your parents/careers to:

- Turn off in-app purchases
- Require a password immediately
- Set up your own account and link it to a pre-paid card or a gift card so you can only spend the money that you have

80% of the highest grossing apps are free to download!

Top Grossing Apps by category

74%

Games	Productivity
Entertainment	News
Education	Music
Business	Medical
Sports	Lifestyle
Social Networking	Health & Fitness

Remind students that they need to watch out—so-called free apps may have hidden costs!

An in-app purchase is any extra charge above the cost of downloading the app, if there is one. Many in-app purchases give you access to additional features, virtual currency, extra lives or you may need to pay a subscription to use the app etc.

There are lots of horror stories where people have been caught out by in-app purchases, either because they haven't realised that it's real money they're being charged or because a free trial has come to an end.

The importance of managing your money – slides 24 - 25 (2 minutes)

The importance of managing your money

CITIZENS ADVICE BUREAUX IN ENGLAND AND WALES DEAL WITH 2,818 DEBT ISSUES EVERY DAY IN THE YEAR TO FEBRUARY 2020.

The most common cause of stress is **money** related to work, health, children, housing, and household bills.

Young adults struggle with stress over **12 days per month**, on average. **69%** of them worry about its impact on their health.

IT COSTS AN AVERAGE OF **£28.80 PER DAY** FOR A COUPLE TO RAISE A CHILD FROM BIRTH TO THE AGE OF 16.

A recent survey of University students found that:

70% Wish they'd had a better **FINANCIAL EDUCATION**

78% **WORRY** about making ends meet

Explain that money worries can be a major source of stress, which can have a negative impact on both your physical and mental health. Starting to understand money from a young age is important.

What Next? - slide 26 (2 mins)

Bring the assembly to an end and suggest that after the session, students might like to ask themselves some key questions:

1. Do I always keep my money safe?
2. Do I save regularly?
If not, could I start to?
3. Do I always manage my money well?
If not, what could I do better?
Who could help me?

Next steps...

Ask yourself some key questions:

Do I always keep my money safe?

Do I save regularly?
If not could I start to?

Do I always manage my money well?
If not, what could I do better?
Who could help me?



4. Do I know where I can find out more information about money?

Remind students that despite the statistics, it is not all doom and gloom and that they have the chance to be informed and make informed decisions. As well as free in-school financial education, there is a lot of information out there for students & adults to help with financial wellbeing and it is never too late to start.

Thank you & Questions – Slide 27

When ending the session, thank students & teachers for their attention and signpost to the mypersonalfinanceskills.org where students can find more financial education content.

Remind that the programme also delivers other assemblies and workshops in smaller groups. There is a free to access financial education textbook called *Your Money Matters* where they can find lots more about money.

Finally, should you have time, take any questions.



Thank you & Questions

Find us online mypersonalfinanceskills.org for:

-  Bitesize learning videos
(Garni & Social Media, your first paylip and what it includes)
-  A student money blog
-  On demand financial education sessions

To organise another assembly or workshop in smaller groups, please email us info@myfcs.org