

To Your Credit:

Teacher notes

Overview:

To Your Credit is an engaging board game for students in years 9 – 13 (KS4 and 5) which supports the move from school into the workplace and the financial and lifestyle decisions that are made during this time. It complies with the new PSHE National Curriculum regarding financial capability through personal finance education:

"Pupils should be able to:

- *manage their money*
- *understand financial risk and reward*
- *explain financial terms and products*
- *identify how finance will play an important part in their lives and in achieving their aspirations."*

National Curriculum: "PSHE education: Economic wellbeing and financial capability"

<http://curriculum.qca.org.uk/key-stages-3-and-4/subjects/pshe/ewfc>

To Your Credit links lifestyle and aspirations with income and expenditure, and income with qualifications and skills.

Players see the potential link between better qualifications and higher salaries and the increased lifestyle choices that are available if you have more money.

As players move around the board, they develop the lifestyle of the character whose role they have adopted for the game. Within this role, players make key decisions which affect their lifestyle and success. Players can choose to spend their money on entertainment, increasing personal health and well-being, donating to charity and contributing to the local environment or they can just go shopping.

Players will have to make decisions regarding education and training in order to meet the aspirations of the characters they have adopted during the game.

Sound financial management is encouraged and players have to juggle their finances in order to go to college, take time off to go on holiday and donate to

charity. Players learn about credit cards and the dangers of overstretching financially. They become aware of the consequences of unpaid debts and the results of being blacklisted by banks and building societies.

The mathematical skills that are needed to play the game are basic arithmetical skills and simple percentages. The complexity of the game lies in keeping track of your spending, earning and borrowing and using this to make sound financial decisions.

Who is it for?

The game is aimed at pupils in years 9 to 11 but it could be played by older students who are in need of financial guidance.

The game is ideally played with up to four players plus a banker. The banking role is best taken by an adult or an experienced player.

The game should last about 50 minutes but it can also be played to a time limit so that it can be fitted into a lunchtime maths club session or into an after school homework club slot.

The rules may seem quite involved initially but it should only take one session for students to master them and play the first game. It is suggested that students play on a regular basis and develop their understanding of successful strategies.

Students should be encouraged to play quickly so that they improve their mental arithmetic skills and ensure that their turn comes round sooner.

The game is supported by two activities that can be completed in the classroom or set as homework.

"To Your Credit" in your scheme of work

Prior knowledge

Before using these activities pupils need to be able to calculate the percentage of a quantity and you may wish to introduce compound interest.

Match Interest

The activity "Match Interest" can be used to either present or revise compound interest. It can be used as a lesson to introduce credit cards before the game or as an activity to revisit the issues raised by the game (see flowcharts).

Can they afford it?

This activity can be used either as an introduction to lifestyle and finance management or as a way of revisiting the issues raised in the To Your Credit game more formally.

Playing To Your Credit

The game should be played over two lessons. Both lessons could be maths lessons or the second lesson could be a PHSE lesson.

It is vital that the teacher learns the game thoroughly before presenting the rules to the pupils as some of the rules can seem complex to pupils when playing for the first time.

Whilst playing the game encourage pupils to reflect on their own aspirations and the way that they deal with money in real life.

Encourage them to adopt successful winning strategies and ask them how these relate to real life situations.

Ask them about credit and store cards. Tell them that the interest rates on these cards are often very high compared to arranged overdrafts and personal loans from the bank.

Teaching Sequences

Here are two suggested teaching flows for the activity pack:

Sequence 1

Match Interest

Use this activity to revise compound interest and introduce how credit cards work. **1 lesson**



Can they afford it?

Use this activity to make the link between lifestyle and personal financial management. **1 lesson**



To your credit

Play the game to encourage strategies and promote good financial management. **2 lessons**

Sequence 2

To your credit

Play the game to introduce and promote good financial management. **2 lessons**



Match Interest

Use this activity to revise credit cards and the issues raised in the game. **1 lesson**



Can they afford it?

Use this activity to consolidate the ideas encountered during the game. **1 lesson**

Other options are also possible:

Two of the "*Can they afford it?*" characters can be done in class and two for homework.

The game could be played as the second item of the sequence.

The "*Can they afford it?*" activity could be done on a spreadsheet.

Can they afford it?

Teachers' notes

This activity is designed to develop pupil awareness of day to day financial management.

Arrange your class in groups of 4 or in pairs

Introduction

Ask the pupils to read the worksheet and ask them to ask questions about the task

Ask: How can we decide whether a person is managing financially?

How can we arrange our calculations to make them clear?

Encourage pupils to think about outgoings and income.

Ask: How can we make predictions based on one month?

How valid will our predictions be?

Main activity

Pupils take a person each (in fours) or two each (in pairs) and create a balance sheet for that person.

They then write a short report explaining how well that person is doing and how the big spenders should alter their lifestyle.

During the activity ask:

Is that level of debt too much? How do you know?

How can you predict what will happen next month?

What will be different? What will be the same?

Conclusion

Ask the pupils to report back to the class.

Ask: How did you decide who was overspending?

How did you predict future spending?

How should the "overspenders" change their habits?

Can they afford it?

Read this:

On the next page are four people with different salaries and lifestyles. Look at their spending and earning for three months.

Can they afford their lifestyle? Use the information you are given to decide. If they can't afford their luxuries, discuss whether they are in real trouble or only in slight difficulties. Predict what their financial situation will be in three years' time.

Credit Card

If a person cannot pay a minimum payment of 10% monthly then they pay a penalty charge of £25.

The cost of living

Each person needs food, accommodation, heating and lighting and has to pay council tax.

Assume that they all pay the same for these basics and that there are four weeks in a month.

Council tax:	£70 a month
Food and drink:	£30 a week
Accommodation:	£90 a week
Fuel bills:	£15 a week
Basic clothing:	£5 a week

Answer these questions

1. How well is each of these people managing their finances?
2. What advice would you give the ones who are getting into more debt? (Don't just say spend less earn more!)
3. If they carry on earning and spending like this for the next three years, what will happen to their debts?

Wayne

Disposable salary:	£600 a month
Night club spending:	£50 a week
Gym membership:	£65 a month
Credit card:	Pays off 20% of a £500 debt monthly

Chandra

Disposable salary:	£1400 a month
Football Season Ticket:	£180 a month
Holiday:	£500 one off
Nights out:	£30 a week
Credit card:	has no credit card debt

Cassandra

Disposable salary:	£900 a month
Designer Clothes:	£120 a month
Holiday:	£500 one off
Nights out:	£50 a week
Special Night club:	£100
Credit card:	Debt of £600 and forgets to pay this month

Imelda

Disposable salary:	£800 a month
Organic food:	£40 a month
Donation to charity:	£20 a month
Eating out:	£30 a month
Special Night club:	£100
Credit card:	Repays 25% of a £320 debt monthly.
Special	Takes a week unpaid leave to volunteer on a canal boat.

Match Interest

Teacher notes

Arrange pupils in groups of three or pairs.

Give each pair/group a calculator

Introduction

10m

Ask pupils about credit cards.

How do they work?

How do the banks make a profit?

How do you get rid of debt?

Tell them about penalty charges.

Tell them that this activity is simplified - in the real world you pay interest **and** charges - it's worse!

Main Activity

30m

Pupils read the sheet, cut out and match the sets of cards

During the activity ask:

What happens if you don't pay?

How do you work out the amount you pay in a month?

Why do you pay different amounts every month despite the interest rate staying the same?

Conclusion

15m

How did you match the cards?

Are credit cards a good way of borrowing money?

Explain why payments go down in months two and three.

Write in your books how to calculate the interest on a credit card loan by using one of the sets you matched in the activity.

Extension Task: What happens if the credit card company charges 2% interest monthly as well as a penalty on a £500 loan for three months? Show your working clearly.

Match Interest

Read this

- When you borrow money on a credit card, you have to pay it back.
- The quicker you pay it back the less interest you pay.
- If you don't pay it back you have to pay penalties and the money you owe goes up.

- The grey cards tell you the situation.
- Match one grey card with three white ones.
- This bank only charges you £25 a month for forgetting to pay

Cut these out and make 6 sets of 4

Repay 12.5% monthly on a debt of £1600	Balance at end of Month 3 £1024	Balance at end of Month 1 £360	Balance at end of Month 2 £1280
Repay 25% monthly on a debt of £480	Balance at end of Month 2 £1024	Balance at end of Month 2 £270	Balance at end of Month 1 £1280

Repay 20% monthly on a debt of £2000	Balance at end of Month 2 £150	Balance at end of Month 1 £100	Balance at end of Month 1 £1400
Repay 20% monthly on a debt of £1600	Balance at end of Month 3 £202.50	Balance at end of Month 2 £1225	Balance at end of Month 1 £125
Forget to pay twice and then repay 20% monthly on a debt of £75	Balance at end of Month 3 1071.88	Balance at end of Month 3 £175	Balance at end of Month 3 £100
Forget to pay three times on a debt of £100	Balance at end of Month 3 £819.20	Balance at end of Month 1 £1600	Balance at end of Month 2 £125