



Creating a work budget challenge

Age range: 16-19

 **BARCLAYS** | LifeSkills



Session overview

Time	Key learning outcomes	Resources
30 mins	By the end of the activity students will be able to: <ul style="list-style-type: none"> Understand a range of financial terminology. Identify ways of managing a budget for a project at work. 	<ul style="list-style-type: none"> Creating a work budget challenge presentation slides.



This lesson plan is designed to be used in tandem with a PDF containing interactive activity slides. They are accredited with the Young Money Finance Education Mark, recognising them as recommended financial education resources.

Always start the session by agreeing ground rules with the group. For advice on this and other ways to establish a safe learning environment, download the [content guide](#).

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There is Money Skills content to suit a range of ages and abilities – take a look at our 5-11, 11-14, 14-16, 16-19, 19+ resources, which focus on topics such as attitudes to money, money management and risk, financial independence and fraud.

Please note that this lesson includes figures used in calculations such as student loan thresholds, NI contributions or similar. These figures were correct at the time of publication but may have changed by the time you use the resource as they are usually updated by the Government on a yearly basis.

Activity one

Managing a project

1. The language of business

- Begin by explaining that organisations will operate within a budget that allows them to successfully deliver their services. They may also have specific budgets set aside for individual projects or parts of the business. Employers value skills like organisation and budgeting so it's worth considering how they can build and practice these skills.

Ask the students how many of them are familiar with the concept of setting a personal budget?

- Explain that many jobs involve working with budgets, and this requires an understanding of everyday business and finance terminology.
- Next, divide the class into groups. Show **slide 2** and ask groups to discuss each term and come up with a description. You can print copies of the slide as a worksheet, or fill in the table on the whiteboard as a class. Explain that even if the words are unfamiliar, they should be able to work them out from the descriptions given. Use **slide 3** to discuss the answers and see how many they got right, explaining any terms that need clarification or where the students have questions.

Extension

For more terminology, encourage students to explore the [Know Your Money Terms interactive tool](#) on the LifeSkills website.

2. Managing a work budget

- Ask the students if they have ever been involved in organising an event or a trip for a group of friends. Usually, choices will be limited by the money available to fund it. If students can't provide personal examples, suggest some for them e.g. planning a day out, or organising a surprise birthday party.
- Ask for ideas about what you would need to think about and research if you were planning one of the examples offered and write these on the board, e.g. travel costs, accommodation costs, spending money and funds available, e.g. contribution from each person, opportunities for finding extra money for the project.
- Explain to students that when planning an activity that is going to cost money, you need to balance the costs against the capital available. Explain that this is the same with any work-based project, and employers value people who understand how to manage and work within a given budget.
- Explain to students that they're going to complete an activity based on a real work scenario, where they are going to project manage a training event within a set budget.
- Print copies of **slides 4 – 5** for pairs or individuals. Ask them to read and discuss the scenario and then work together to complete the budget template. They will need to use the information sheet to select which items they want to use and make sure they work within the budget. The idea is that they must make appropriate choices to meet the needs of the business and not go over budget.
- Before they start the task explain that they will need to discuss and weigh up the best options and that the cheapest isn't necessarily the best. Use the teacher guidance on the next page as a reference for any issues that may come up during the discussion. Students may find a well-reasoned alternative to this model answer. The important thing is that they begin to understand the issues to consider when making an informed decision about suppliers and needs versus budget restrictions.

Activity one

Managing a project (cont'd)

Organising a training event – model answer

Things they could consider are:

Venue

- Costs.
- Natural light.
- Size of room.
- Suitability for the type of event.

Printing

The Stationery Store is the best priced and, as customers can collect, Reece has an opportunity to check everything is correct and can ensure it's all there on the day.

Hotel

The Dunberry is good value, has WiFi available and has on-site parking for convenience and safety.

Expenditure	Options chosen	Number of items	Cost per item	Total	Fixed or variable cost?
Room hire	Stiles Conference Centre	1	275	£275.00	F
Refreshments		50	0	£0.00	F
Lunch		50	13	£650.00	V
Hotel	The Dunberry, including breakfast	1	120	£120.00	F
Printing	The Stationery Store	50	3	£150.00	V
Total expenditure				£1,195.00	V
Income		Booking (No.)	Price per ticket	Total	
Bookings taken		50	75	£3,750.00	
Total income		Total expenditure		Money remaining (profit)	
£3,750		£1,195.00		£2,555.00	

- After students have completed their budget template, ask each group to make a short presentation to the class justifying the choices they've made and detailing the total expenditure.

Extension

- If you have access to computers, groups could use a spreadsheet to help them manipulate the figures. If needed there is a model to follow to the right.
- Groups could research their local area to find the costs for three venues, hotels and print companies and use this information rather than the example given.

	A	B	C	D	E	F
2	Room hire		1		=C2*D2	F
3	Refreshments		50		=C3*D3	F
4	Lunch		50		=C4*D4	V
5	Hotel		1		=C5*D5	V
6	Printing		50		=C6*D6	F
7	Total expenditure				=E2:E6	V
8	Income		Booking (No.)	Price per ticket	Total	
9	Bookings taken				=C9*D9	
10	Total income		Total expenditure		Money remaining (profit)	
11	E9		=E7		=A11-C11	

Summary

- Ask students to discuss in pairs or small groups some key things that they have learnt from the session, e.g. are there any new skills that they have learnt or things they now know which they didn't know at the start of the lesson?
- To close the lesson ask students who are comfortable to share any key takeaways.

