

Debt game

Key Stage 4
Budgeting & Debt

Instructions

Time- 30 Minutes

Get the students into groups or work as a class. Ask one student to volunteer to be the bank manager and other students to be the customer.

Give the bank manager the cheques.

£20

£50

£100

£200

Ask the students to think about what they will need to borrow the different amounts of money for.

i.e. For a new computer game,
DVD,
Clothes,
Christmas



ANYBANK PLC			11 - 22 - 33
<i>Not to exceed fifty pounds (£50)</i>			Date _____
Pay _____	Account Payee		£ 20.00
TWENTY POUNDS ONLY			
Cheque No	Branch Sort Code	Account No	Transaction Code
000001	66 6666	9999999	02: A N OTHER

ANYBANK PLC			11 - 22 - 33
<i>Not to exceed fifty pounds (£50)</i>			Date _____
Pay _____	Account Payee		£ 50.00
FIFTY POUNDS ONLY			
Cheque No	Branch Sort Code	Account No	Transaction Code
000001	66 6666	9999999	02: A N OTHER

ANYBANK PLC			11 - 22 - 33
Not to exceed fifty pounds (£50)			Date _____
Pay _____	Account Payee	ONE HUNDRED POUNDS ONLY	£ 100.00
_____		_____	_____
Cheque No	Branch Sort Code	Account No	Transaction Code
000001	66 6666	9999999	02: A N OTHER

ANYBANK PLC			11 - 22 - 33
Not to exceed fifty pounds (£50)			Date _____
Pay _____	Account Payee	TWO HUNDRED POUNDS ONLY	£ 200.00
_____		_____	_____
Cheque No	Branch Sort Code	Account No	Transaction Code
000001	66 6666	9999999	02: A N OTHER

Role play

Set up the room so the bank manager is sitting at a desk and the customers have to approach him to ask to borrow some money.

Example script

Customer: Good morning sir

Bank manager: Good morning Mr Please sit down

Customer sits down

Bank manger: So what can I do for you today?

Customer: I would like to borrow some money from your bank

Bank manger: How much would you like to borrow and what is it for?

Customer: I would like to borrow..... For

Bank manager: Ok, if I was to lend you How would you pay me back?

Take a break and get the students to discuss in the class how they would pay the money back, would they pay it back from earning money doing jobs, pocket money, Christmas and birthday money?

Role play resumes

Customer: I would pay the money back from.....

Bank manger: The money must be paid back within 1 year of borrowing it.

Customer: Can I pay a bit each week

Bank manager: Yes you can pay a bit back each week, or you can pay it all back at the end of the year or whenever you have managed to save it all up.

Customer: Ok please can I borrow the money please

Bank manager: please can you sign all the paperwork, I can then prove you have commitment to pay back the money. If you do not pay it back we could take the things you have bought with the money so that we cover the costs.

Customer: Thank you

Customer gets up

Customer and Bank manager: Goodbye

Two months later

The customer goes back into the bank

Customer: Hello Mr Bank Manager do you remember me I borrowed some money from your bank about two months ago.

Bank Manager: Ah yes(persons name) I remember you, how can I help?

Customer: I am really really sorry but I can't pay the money back I borrowed from you.

Bank manager: Why what's happened, you were supposed to be able to pay from your pocket money.

Customer: I know I was but I got a bit carried away and I bought some new DVDs that I wanted. I spent too much and then I didn't have enough money left to pay you back

Bank manger: What did you buy with the money the bank lent you?

Customer: I bought a new DVD player, that's why I bought the DVDS, but I hadn't budgeted/ planned properly and I didn't realise how much money everything would be.

Bank manager: You really should have planned better I did tell you that you would need to pay all the money back.

Customer: I know I feel really silly I should have planned better.

Bank manager: You are not the only person who this happens to lots of people borrow money and then can't pay it back that's why we try to make people plan a lot better so this doesn't happen.

Customer: What's next then

Bank manager: Well you could sell your DVD player and pay us the money back from that, or you could try and get a job like a paper round to get some extra money

Customer: I think I will sell the DVD player first and then save my money to buy a new one so I won't have to borrow any money again. I don't like being in debt.

Bank manager: Good plan that way you don't have to worry about paying it back.

Customer: Thanks you for your time

Bank manger: No problem

Bank manager shakes customer by the hand and customer leaves

Get students to discuss the role play and the implications of borrowing the money and not being able to pay it back.

How could this have been avoided i.e. customer planned better and made sure they had enough money. Or save money and not borrow it.

Explain that usually you have to be 18 to borrow money because you have to be an adult.