

# STAYING ON BUDGET: LEADER'S NOTES

in partnership with



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# INTRODUCTION

**One of the most important aspects of managing money is knowing how to budget.**

If your Explorer Scouts want to save up for something special like university, or just make the most of the money they have day to day, it's a good idea to budget.

This means they need to know how much money they expect to receive and how much they expect to pay out over a particular time.

They don't have to be out at work and earning a salary before they can start managing their money and budgeting for all the things they want to do. But we know it's not easy, so that's why we've put together this resource to help Explorer Scouts become brilliant budgeters.

## THE SCOUT ASSOCIATION WORKING WITH NATWEST

The Scout Association teamed up with NatWest MoneySense to produce this resource for Explorer Scouts to help them learn how to budget.

It will help you deliver a balanced programme of activities. There is also an activity pack which should be provided to each Explorer Scout as further support. The activities in the pack relate to those outlined here, but parts of them can also be done at home.

These resources should help Explorer Scouts develop confidence in themselves and their own ideas, explore ways of managing their finances, and be great fun.

This pack will help Scouts learn more about:

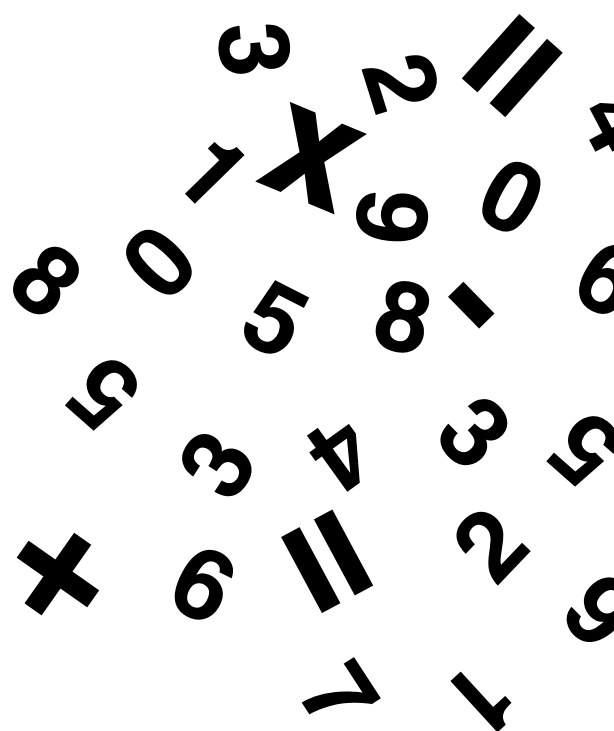
- How to budget
- Ways to save money
- Money and travelling

It's part of a series of five NatWest-sponsored activity packs covering a series of money management skills in simple ways to include in your programme:

- Money and your life
- Bringing the fun into fundraising
- Running your own event
- Being a young entrepreneur

### MAKE MONEY MAKE SENSE

NatWest run MoneySense, a programme that has helped more than two million UK young people to develop money management skills. All materials are impartial and do not promote NatWest products or services. Find out more at: [natwest.com/moneysense](https://natwest.com/moneysense)



# ACTIVITY: BALANCING THE BUDGET FOR AN OVERSEAS ADVENTURE

Expeditions abroad can be one of the most exciting parts of Explorer Scouting. You may want to travel as part of your Chief Scout or Duke of Edinburgh's Award, or you may want to go on jamboree.

For many this will involve saving up some money. This activity can be used to give your Explorer Scouts an idea of budgeting and help them start planning for a real expedition abroad.

**What you need:** Pens

**How long:** This activity needs to be done in two parts.

Part 1: About 35 minutes

Part 2: About one hour.

“ I don't really make my money last very well, I'm normally out of it by the end of the month, but I think I really should write down what I'm spending it on and try and budget a little bit more. ”

Kerry, 18, London

## HOW TO DO THE ACTIVITY

### PART 1

1. Ask the Explorer Scouts to use the first balance sheet in their activity pack to estimate how much they spend a week by listing what they spend their money on and how much each item costs (15 minutes).
2. Then ask them to write down how much money they earn each month from either a part-time job or an allowance (5 minutes).
3. Hold a group discussion with the Explorer Scouts. Do they think the difference between what they earn and spend makes sense? Are they surprised by the results (15 minutes).
4. Now, ask them to spend the next month recording on the second balance sheet in their activity pack the individual cost of all the items they spend their money on and calculate their total expenditure. They must also record their earnings for the month.

### FIND OUT MORE

If your Explorer Scouts want more help in saving money for their trip, give them the following link. It's a really useful tool which might help them effectively budget to save money for the trip:

[natwest.com/moneysensebudget-tool](https://natwest.com/moneysensebudget-tool)

### PART 2

1. Hold a group discussion with the Explorer Scouts about the results. Do their two balance sheets match? Are they spending more or less than they earn? Are they surprised by the results in any way (15 minutes).
2. Ask them to choose a partner and together (25 minutes):
  - Discuss whether they think they can each afford to take the trip, based on their individual calculations.
  - Talk about which of the items they spend money on that they think are absolutely essential.
  - Discuss how they could save more each month.
3. Ask each Explorer Scout to present to the Unit how they plan to use what they've learnt to help them save money for their trip abroad (20 minutes).

# ACTIVITY: SAVE ENERGY TO SAVE MONEY

There are lots of unexpected ways in which you can save money. It's not just about forgoing the things you want.

This activity will get Explorer Scouts thinking about the less obvious ways in which they can help save money for themselves at home and the Scout Group.

## What you need:

- Pens
- Energy audit (contained within the Staying on Budget activity pack).

**How long:** About one hour and 5 minutes

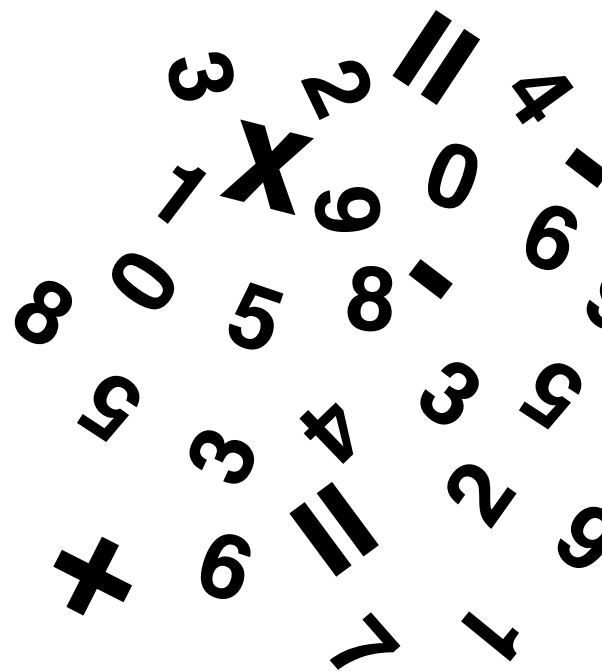
‘I’m not very good at saving money. I don’t really keep an eye on what I’ve got and what I spend.

**Jamie, 16, London**

## HOW TO DO THE ACTIVITY

1. Split the Explorer Scouts into teams of three (5 minutes).
2. Task each team with carrying out an energy audit on the Scout meeting place using the audit sheet in their Staying on Budget activity pack (30 minutes).
3. Hold a Unit discussion covering the following:
  - Based on the results of the audit, how energy efficient do the Explorer Scouts think the Scout meeting place is?
  - Why do the Explorer Scouts think it’s important that the meeting place is energy efficient? How do they think it could save the Scout Group money?
  - In what ways do the Explorer Scouts think the meeting place could be made more energy efficient?
  - Was there anything else not covered in the audit that they think could be done to help make the meeting place more energy efficient (30 minutes)?

Don’t forget to encourage everyone to act on your findings; it could help you cut your heating bills and give you more money towards fun activities.



# ACTIVITY: THE VALUE OF MONEY

This activity will help your Explorer Scouts to understand how world currency and money works.

This of course will be essential if you are planning any foreign trips, but will also give them some really valuable life skills.

## What you need:

- Some foreign currency. If you can't get enough, you could either use some images of currency from the internet and print them out, or get the Explorer Scouts as a first activity to make their own, having done some research at home
- Exchange rates for three different currencies
- Pen, paper and colouring pens

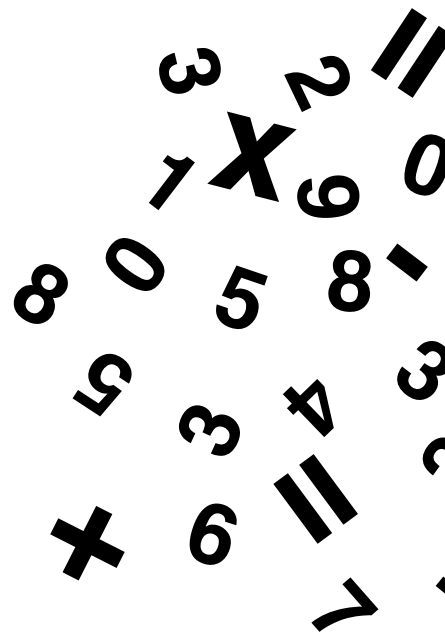
**How long:** About one hour and 40 minutes

“When I went to America I had to change all my money to dollars. I think things were cheaper over there, but I'm not really sure.

Charlotte, 17, Southampton”

## HOW TO DO THE ACTIVITY

1. Get your Explorer Scouts to bring in examples of foreign currency to your next Unit meeting. Also, get them to look on the internet and go into their local bank and compare the exchange rates for currencies of three different countries of their choice.
2. Display the notes or coins that are brought in on the floor or on a table (10 minutes).
3. Get your Explorer Scouts to move around the room and try to guess which country other people's coins and notes are from. Get them to discuss what they know about the countries where the currencies come from (30 minutes).
4. Get your Explorer Scouts to share with the Unit what they found out about different currency rates. Are they different depending on where they looked? Discuss with them how the value of money can change over time (15 minutes).
5. Now ask them to work out how much their currency is worth compared to £1. If you were travelling to America, you'd swap pounds for dollars. Find the latest exchange rates online at [exchangerates.org.uk](http://exchangerates.org.uk) (10 minutes).
6. Get them to ask the person next to them to work out how much of their currency they could get for £200 (10 minutes).
7. Label one side of the meeting place 'True' and the other 'False' (5 minutes).
8. Read out each factor on the next page and ask the Explorer Scouts to decide individually if they think it affects the value of currency, or not. They can stand on the side of the room that they believe is the correct answer for each one.
9. Before providing the correct answer, ask the largest grouping to explain what made them come to their conclusion each time. An explanation for each answer is contained below the factors (20 minutes).



## FACTORS

## TRUE OR FALSE?

### 1. A general election

True

Confidence in or wariness of a new government can cause investors to flock to or flee from the pound. Also, as new MPs are elected, new laws are passed which can affect our economy. Foreign investors may react positively or negatively to these changes, affecting the pound's value.

### 2. The size of the Prime Minister's feet.

False

Although it's possible that the Prime Minister might put their foot in it with something they say and affect the economy, whether they are wearing size 9s or size 99s shouldn't have an effect on the value of the pound.

### 3. War

True

An ongoing war can quickly become expensive. It makes investors nervous because it can increase the national debt and therefore increase the risk of default.

### 4. An increase in money supply

True

With every new pound minted, each one is valued less than before. The more pounds there are in circulation, the less the currency is valued because the supply has been increased.

### 5. The time of day *Dr Who* is shown on TV

False

Although the Doctor has the advantage of a time machine to see what might be happening to the economy in the future, what time of day he appears on the TV is unlikely to have an impact on the economy.

### 6. The cost of a daily paper

False

What is printed in the newspaper may have a bearing on exchange rates, but their actual cost will not.

### 7. Gas prices

True

Rising gas prices may leave consumers with less money to spend elsewhere, or worse, may drive them to borrow money to keep up their standard of living.

### 8. The winner of *The X-Factor*

True

While the winner may upset our ears, they're unlikely to upset the economy.

### 9. Entrepreneurship

True

Entrepreneurship can create attractive investment opportunities for foreign investors, supporting a stronger pound.

### 10. Weather

True

Weather affects the agricultural industry, energy consumption and local economies. Any change, for better or for worse, can create a ripple effect that impacts the economy as a whole and causes the pound to fluctuate.

## TWO MORE THINGS TO THINK ABOUT WHEN YOU GO ABROAD

1. **Travel insurance:** Let Explorer Scouts know that it's a good idea to get this before they go abroad and explain what it's for.
2. **Ways to pay:** Get your Explorer Scouts to tell you about the different choices they know of to make

payments abroad. Tell them about the use of credit cards and debit cards and also explain that there will be charges for using these. Also tell them how traveller cheques are pre-printed cheques for a fixed amount, often in a foreign currency, issued by a bank that can be used instead of cash. And that they can also get pre-pay cards from places like the Post Office which can be loaded with money before they travel.