

## Lesson Plan

<b>Topic:</b>	<b>The Budget</b>
<b>Learning Activity Reference:</b>	<b>Adult Numeracy Application of Number Key Skills Financial Literacy</b>
<b>Basic Skills Reference</b>	N1/E2.6, N1/E3.7, N1/L1.8: Approximation HD1/E2.1, HD1/E2.2, HD1/E3.1, HD1/L1.1: Extract information and make comparisons N2/E3.3, N2/L1.8, N2/L1.9, N2/L1.10 : Using decimals and percentages
<b>ESDGC Links (Education for Sustainable Development and Global Citizenship)</b> <a href="http://www.ngfl-cymru.org.uk/esdgc.htm">http://www.ngfl-cymru.org.uk/esdgc.htm</a>	Wealth and poverty, Choices and decisions, Critical thinking, Ability to argue effectively, Needs and rights, Ability to challenge injustice and inequalities, Commitment to social justice and equity. Interdependence - understanding how people, the environment and the economy are linked Sustainable change - understanding that resources are finite and that this has implications for people's lifestyles and for commerce and industry
<b>Length:</b>	<b>1.5 hour</b>
<b>Objectives:</b>	Be able to list five examples of things which are funded by central or local government Be able to give one example of how the nationwide Budget affects their own life/income Be able to give typical figures for Income Tax, National Insurance and VAT Be able to approximate prices to the nearest 10, 100 Be able to work out VAT to be added to a product by hand Be able to work out VAT to be added to a product by with a spreadsheet

<b>Time mins</b>	<b>Tutor Activity</b>	<b>Trainee Activity</b>	<b>Extension activity</b>	<b>Resources</b>
10	Introduce activity. Ask for examples of what things are paid for out of central or local government funds	Whole group: List example		Whiteboard for recording suggestions
15	Play video of current budget highlights if available.  Discuss upcoming or recent budget. What things did learners agree with or disagree with. Do they think they'll be better or worse off?	Whole Group: Watch video, discuss budgets changes.		Video (BBC typically has highlights) Handout: Summary of Key Points with charts. Diigo tag: Budget <a href="http://www.diigo.com/user/leiafee/budget">http://www.diigo.com/user/leiafee/budget</a>

Time mins	Tutor Activity	Trainee Activity	Extension activity	Resources
10	Introduce VAT – a common area of discussion in the budget. Do learners know what things are covered? Give out sorting cards and ask learners to group into the three categories (0, 5, 17.5/20)	In pairs or small groups sort cards into three VAT bands	Lookup specific items on the HRMC website <a href="http://www.hmrc.gov.uk/vat/forms-rates/rates/goods-services.htm">www.hmrc.gov.uk/vat/forms-rates/rates/goods-services.htm</a> (use this info to make sort cards)	BBC VAT Calculator: <a href="http://news.bbc.co.uk/1/hi/business/10373992.stm">http://news.bbc.co.uk/1/hi/business/10373992.stm</a>
20	Introduce effect of VAT rises. Recap common ways of working out simple percentage (e.g. 10% / 5% and 20%).  Ask learners to go online or select from catalogue three item they would like to buy and work out the VAT and final price.	Individually.  Select three items with prices without VAT, and work out the VAT and final price. (Prices can be rounded to the nearest £1, £10 or £100 as needed – especially if working with Entry learners)	Look for sale discounts and apply to final price.	Websites / catalogues.  (Business to business websites are good for ex-VAT prices)
20	Demonstrate using a spreadsheet to work out percentage tax and discount. Demonstrate use of absolute cell referencing and replication.	Whole group: Create spreadsheet following tutor guidance to check answers for previous exercises.		
15	Discuss effects of VAT rise. Ask how else the money in the budget could be raised. Could learners do a better job?  Introduce the “Chop or Not” activity and discuss	Individually or in pairs:  Use the Chop or Not activity to see the effects of different spending cuts and tax rises on the budget. How low can they get it? What might be the negative impacts?	BBC has a slightly more mathematical version of a similar tool <a href="http://news.bbc.co.uk/1/hi/business/10373060.stm">http://news.bbc.co.uk/1/hi/business/10373060.stm</a>	<a href="http://chopornot.channel4.com/">http://chopornot.channel4.com/</a>
90 (total)				