



Key Financial Concepts for Workshops (SECONDARY)

Proposed Topics & Learning Outcomes

LESSON 1: SAVING V/S INVESTING

- Saving and Investing – Similarities
- Saving and Investing – Differences
- Which comes first

LEARNING OBJECTIVES:

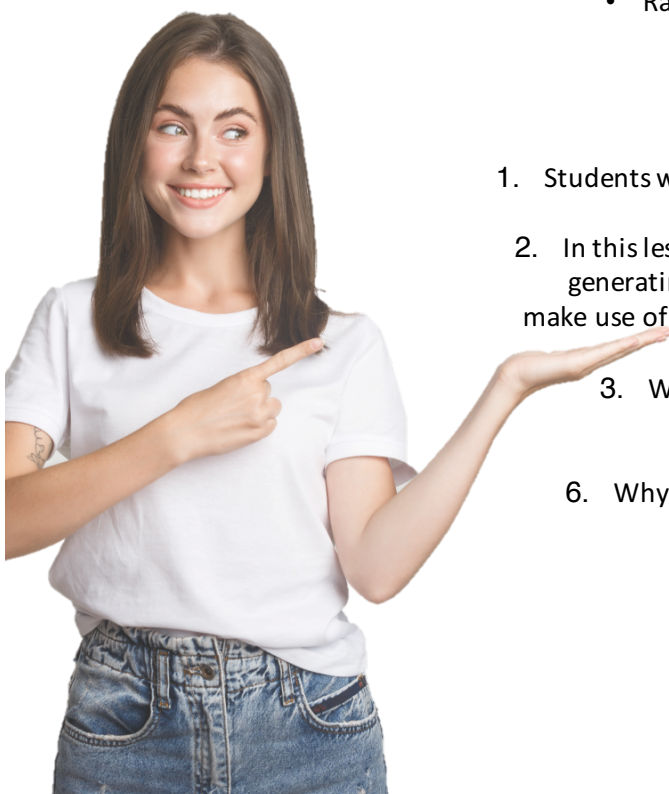
1. Students will learn that there are two ways to pay yourself first – Save and Invest
2. Saving comes before Investment as it feeds into your investment.
3. Students will learn the similarities of Saving and Investing:
 - a) Both Saving and Investing involves putting money aside, either into a Bank account or a fund.
 - b) The intention is the same: To let your money grow.
4. Students will learn the difference between Saving and Investing:
 - a) Savings: A short-term, low reward (low risk) method to grow Money
 - b) Investing: A medium to long term, usually higher risk (higher reward) method to put your money to work for your future.

LESSON 2: THE WEALTH FORMULA

- What is the Wealth Formula
- The three components of the wealth formula are:
 - Time: The duration of your investment
 - Capital: The amount of capital invested
- Rate of Returns: The Interest rate (the speed at which your money grows with an investment)
- Difference between employment & investment:

LEARNING OBJECTIVES:

1. Students will be taught The Wealth Formula and how it would apply to them at a young age.
2. In this lesson, students are exposed to the concept of money generating money if used wisely. They will also learn how to make use of the advantage they have of time to get a head start in becoming wealthy.
3. Wealth Formula is a tool to measure your Investment
4. The Wealth Formula is $\text{Time} \times \text{Money} \times \text{Return}$
5. Types of Return – Interest, dividend, profit
6. Why Investing is important, apart from being employed.





LESSON 3: COMPOUNDING INTEREST

- Simple & Compound Interest
- Rule of 72
- Harnessing the power of Compound Interest

LEARNING OBJECTIVES:

1. Students will learn the definition of interest, which refers to something (usually money) which is charged to the borrower by the lender for the loan provided.
2. Students will learn the meaning of compound interest and how it is applied in our world today.
3. Students will learn the Rule of 72, which is the formula used to calculate how fast your money would double based on interest rates.
4. By the end of this lesson, students will acquire knowledge on how to harness the power of compound interest through the steps below
 - a) The MORE you Save/Invest, the greater the compounding effect
 - b) The EARLIER you Start, the greater the compounding effect
 - c) The HIGHER the Interest, the greater the compounding effect.

LESSON 4: SMART BUDGETING

- Weekly Planner
- Importance and Advantages of Budgeting
- SMART Budgeting – the process of making a budget

LEARNING OBJECTIVES:

1. Students are taught to set up a weekly planner to learn how to balance their spending on needs, wants and savings.
2. Students will learn the advantages of budgeting, how it can help them to prioritize the use of their money, prevent over-spending and keep them out of debt, developing the right money habits.
3. Students are given guidance on how to tailor a budget that fits their long-term future goals.
4. Students will learn how to do SMART budgeting. SMART is an acronym that outlines the 5 basic steps involved in an effective budget plan:
 - S - Save first
 - M - Make a list
 - A - Apportion money
 - R - Review your spending
 - T - Trim your spending
5. Through this lesson, students will realize that budgeting is the most basic and the most effective tool for managing their money.

