

Balancing act



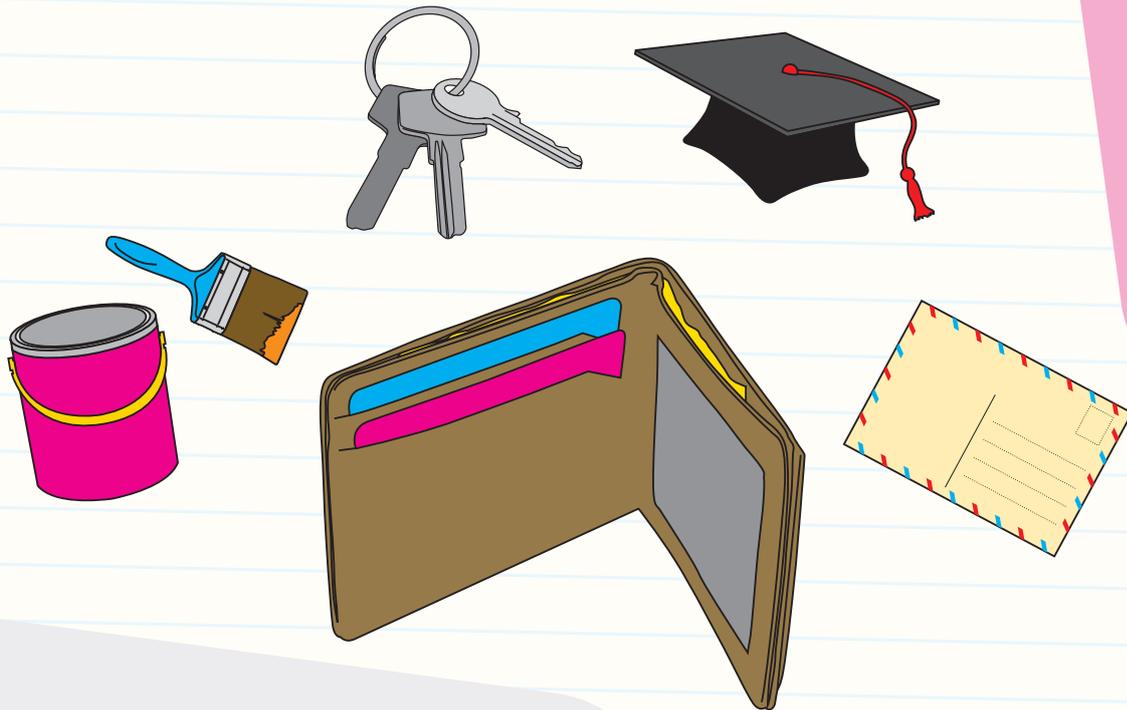
Money



30 mins



Give it a go



Aim of activity

Can you balance the budget? Explore how to create a budget you can stick to, and what to do when you're hit with unexpected costs.

What you'll get out of it

- Practise budgeting skills.
- Understand the impact external factors can have on budget goals.
- Work as a team.

What you'll need

- Paper
- Pens
- A dice, 1 per group
- Calculator (optional)



WE DISCOVER, WE GROW

Girlguiding



Budgeting is all about planning your spending and saving to make sure you don't spend more money than you have. But often unexpected events can scupper the best-made plans! In this activity, decide what you're going to budget for and manage your money despite the curve-balls other groups may throw at you!

What to do

- 1 Get into groups and decide what you're going to budget for. You could choose anything you want: how about renting or buying a house or car, going on holiday or to a festival, decorating your room, going to university or having a family.
- 2 Spend ten minutes outlining your budget. First, you need to set a realistic starting amount. Use your own circumstances to make it as true-to-life as possible. Do you have a job or get pocket money? Or why not base your budget on the average salary of that great job you aspire to do in the future?
- 3 You need to think about the different categories of things you need to include in your budget. Work out your essential costs that tend to be more fixed (like monthly rent payments) and then your essential costs that are not fixed prices (food, clothes and so on).
- 4 Do you have a mix of regular and one-off payments? Have you left yourself a contingency (some extra money) in case something unplanned happens, for example a water leak at the house you've just bought, or your airline going bankrupt a week before your holiday?

- 5 Share what you're budgeting for with the other groups. Pick another group's budget and think of three positive external factors and three challenging external factors that could impact their budget plan. Be as creative as you like – the more unexpected the better! Number these 1 to 6. For example, if they're making a budget for renting a house you could write 'your local DIY shop is having a flash sale' (good external factors) or 'your rent has increased by £15 a month' (challenging external factors). Give the external factors back to the group.

- 6 In your groups, roll a dice six times to see which of the six extra factors you have to unexpectedly include in your budget. After each roll, evaluate your budget. Are there any changes you need to make? Is there anything you need to consider that you didn't?

- 7 After all six rolls, come back together as a unit. Did your budget need to adapt throughout the activity? Whose budget needed the most changes?

Take it further

Coming up with a budget on paper is the easy part – putting it into practice is much harder. Why not create a budget for yourself, and try to stick to it for three months?