

MoneySense learning guide

How can I pay for things?

Learning outcomes

- I can recall different payment methods
- I can explain the most appropriate way of paying in different situations
- I can appropriately use some of the key language relating to debit and credit card use
- I understand about other methods of payments

Equipment

- Writing/drawing materials and a calculator
- Optional - Computer or laptop with online access
- Optional - A range of real examples of ways to pay for goods and services, e.g. coins, notes, cheques, cards, online banking.

Resources

- **How can I pay for things?** presentation
- **Debit and credit cards – meet Alex** interactive activity
- **What do you think? Ways to pay** video
- **Different ways to pay** infographic
- **Debit and credit cards** activity sheet

NOTE: for all the resources mentioned above, you can download SEN alternatives for learners who require additional support.

Preparation required

Familiarise yourself with the resources for the topic as well as read through the learning guide.

Timing

The session has been created to be around 60 minutes; this learning guide has however been designed so that each activity can be completed flexibly whereby if time permits, an extension task can be explored to further the learning. There is also the option of completing the 'take it further' and 'family task' if more activities are required.

If appropriate to do so, all activity sheets and 'high-five' diagrams can be sent back to a teacher for assessment.



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Getting started (5 minutes)

Read slide 4-6 of the **How can I pay for things?** presentation and discuss whether it is better to use a debit or credit card when buying something. Explain your answer.

Extension: Compare how payment differs between buying an item in a local shop and buying an item online.



Activity 1 (10 minutes)

Explore the **Debit and credit cards – meet Alex** interactive activity. <https://natwest.mymoneysense.com/challenge/debit-and-credit-cards-uk/>

Extension: Design and write a fact sheet about a new credit/debit/store card using information from bank leaflets, or research information online. Try to include information about the APR, terms and conditions, etc.



Activity 2 (10 minutes)

Watch the **What do you think? Ways to pay** video. <https://rbs.qumucloud.com/view/xMaValXP4ug>

NOTE: Cheques are not as widely accepted these days due to cheque guarantee scheme ending, so banks can't ensure payment.

Extension: Create a spider diagram for all the different payment methods using just your memory



Activity 3 (5 minutes)

Discuss the positives and negatives of payment methods using the Different ways to pay infographic

Extension: Find out what the most common method of payment is in the UK. Explain why you think that method is so popular.



Activity 4 (15 minutes)

Read slide 7 of the **How can I pay for things?** presentation and complete the **Debit and credit cards** activity sheet.

Extension: Design a debit/credit card that claims to be the 'best on the market'. Explain why your card is so good for customers.



Plenary – checking the learning (5 minutes)

Create a 'high-five' diagram. To do this, use a pen/pencil to draw around your hand. In each finger, write one thing you have learnt about payment methods.

Extension: Look at pictures or real plastic cards. Try and locate different information such as: The sort code; Card number (long number on the front); Account number; Chip; Security code on the signature strip on the back of the card.



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Take it further (5-10 minutes)

Use the following information to answer:
'Should the Williams family use a credit card to pay for some of their expenditures?'

- Credit cards can be useful when paying for one-off large purchases such as holidays, because they sometimes offer an interest-free period, which allows the cost to be spread over an extended period.
- The interest rate can be high at the end of this period, so it's important to be aware of what the rate will go up to, or to pay the balance off in full by this point. Long-term borrowing on credit cards can be quite expensive.
- Credit cards also offer insurance on the purchases, i.e. if you buy goods on the card and they are lost or stolen within a set period of time (normally 90 days), you can get the money back from the credit card company
- It is important not to exceed the spending limit or the time limit for repayment of purchases made on a credit card. Reinforce that problems with overspending can be prevented by careful planning and budgeting



Family task (20+ minutes)

Write questions for a survey and interview family/friends to find out how they pay for goods and services. Graphs could be created to display the data collected.



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