

PCSHE Booklet – Year 10

Topic 1 – Financial Decision Making

Name: _____

Class: _____

Teacher: _____

Year 10 Curriculum Overview					
Topic 1: Financial decision making The impact of financial decisions, debt, gambling and the impact of advertising on financial choices	Topic 2: Mental health Mental health stigma, common types of mental ill-health, strategies to promote wellbeing.	Topic 3: Interactions Relationships and sex expectations, myths, pleasure and challenges, including the impact of the media and revenge pornography	Topic 4: Exploring influence The influence and impact of drugs, and the media, drugs and the law, sources of support.	Topic 5: Addressing extremism and radicalisation Communities, belonging and challenging extremism	Topic 6: Democracy, Electoral Systems and the Law Parliamentary democracy, executive legislature, judiciary, free press, electoral systems, forms of government, human rights, international law, UK legal system and community action.

For further support...

Home/School Support:

- Family e.g. parents, siblings etc.
- Friends
- Teachers
- Tutors
- Mr Ogden
- Mrs Jones
- Mrs Loveridge
- Mrs Hayward
- Speak to a GP (doctor)

Trusted Organisations:

- Childline — 0800 1111 or www.childline.org.uk trained counsellors, including via email and an online chat service.
- GambleAware — www.begambleaware.co.uk provides resources, information and support to keep people safe from gambling harms.
- GamCare — www.gamcare.org.uk advice about gambling problems including a helpline and online chat service.
- The National Gambling Helpline number is 0808 8020 133.
- <https://www.gamblersanonymous.org.uk>

Knowledge Organiser

PCSHE – Year 10 Term 1 – Financial Decision Making

Key Terms:

- **Income Tax:** Income tax is the money that individuals or businesses have to pay to the government based on the money they earn or the profits they make.
- **Earnings:** Earnings are the money or income that individuals or businesses receive from their work, businesses, or investments.
- **Employee:** An employee is a person who works for an employer or a company. They do a job or provide services in exchange for a salary or wages.
- **Employer:** An employer is a person, company, or organisation that hires and pays employees to do work for them.
- **Tax returns:** Tax returns are forms that individuals or businesses fill out and send to the government to report their income and calculate how much tax they owe or if they are owed a refund.
- **Budgets:** Budgets are plans that help individuals or businesses keep track of their money. They show how much money is coming in (income) and how much is going out (expenditure), helping to control spending and save money.
- **Income:** Income is the money or earnings that individuals or businesses receive from various sources, such as jobs, investments, or business activities.
- **Expenditure:** Expenditure is the money that individuals or businesses spend or use to pay for goods, services, or bills.
- **Disposable:** Disposable refers to the income or money that individuals or households have left after paying taxes and essential expenses. It is the money available for spending or saving on non-essential items.
- **Mortgage:** A mortgage is a loan from a bank or lender that helps people buy a house. The borrower pays back the loan over time, along with interest, until the loan is fully repaid.
- **Loan:** A loan is an amount of money borrowed from a bank or lender. The borrower agrees to repay the loan over time, usually with interest added.
- **Gambling:** Gambling refers to playing games of chance or betting on uncertain outcomes, usually involving money. It involves taking a risk with the hope of winning more money or prizes.
- **Value:** Value refers to the worth or importance of something. It can be the monetary worth of an item or the significance or usefulness it holds.
- **HMRC:** HMRC stands for Her Majesty's Revenue and Customs. It is the government agency in the United Kingdom responsible for collecting taxes and enforcing tax laws. HMRC ensures that individuals and businesses meet their tax obligations and provides guidance and support regarding tax-related matters.
- **PAYE:** PAYE stands for Pay As You Earn. It is a system used by employers in the United Kingdom to deduct income tax and National Insurance contributions from their employees' salaries or wages.
- **Tax obligations:** Tax obligations refer to the legal responsibilities or duties that individuals or businesses have to fulfill regarding their taxes.
- **Debt:** Debt refers to an amount of money that one party (person) owes to another.
- **Prosecution:** Prosecution refers to the legal process of charging and following up a case against an individual or group accused of committing a crime.
- **Fraud:** Fraud is a dishonest act carried out with the intention to gain an unfair advantage. It involves concealment (*hiding*) of information, or manipulation of facts for personal or financial gain.

KPI 1: Tax

Income Tax:

As an employee:

- You pay 0% on earnings up to £12,750 for 2020-21
 - Then you pay 20% on anything you earn between £12,751 and £50,000
 - You'll pay 40% income tax on earnings between £50,001 to £150,000
 - If you earn £150,001 and over, you pay 45% tax.
- For example, if you earn £52,000 a year, you pay:
- Nothing on the first £12,750
 - 20% on the next £37,500
 - 40% on the next £2,000.
- Therefore, you would expect to pay:
- £8,300 per year / £691.66 per month

What happens if I don't pay income tax?

Most people pay Income Tax through PAYE. This is the system your employer or pension provider uses to take Income Tax before they pay your wages or pension. If your employer makes a mistake and under pays your tax, you could be made to repay that amount through the next years PAYE if the amount is under £3,000 and you earn under £30,000 per year. In some very limited circumstances, it may be possible for HMRC to write off the debt, or, if your employer or pension payer is at fault, to collect the tax from them instead. If you are a self-employed person, you are responsible for filing your tax returns each year with the HMRC. Failure to do so or filing late or inaccurate returns can result in a HMRC Enquiry. If the enquiry find you are guilty of deliberately misleading or faking your tax record you can be prosecuted for fraud. In most cases you will be given a bill for the unpaid tax and a set time frame to pay it back.

Knowledge Organiser

PCSH E – Year 10 Term 1 – Financial Decision Making

KPI2: Budgeting

BUDGETS are a valuable tool for managing your money. They are used to manage INCOME (money coming in) and EXPENDITURE (spending on a weekly, monthly and yearly basis). Most Budgets contain a list of all spending that is ESSENTIAL, and spending that is optional (DISPOSABLE).

Why is budgeting important?

Since budgeting allows you to create a spending plan for your money, **it ensures that you will always have enough money for the things you need** and the things that are important to you. Following a budget or spending plan will also keep you out of debt or help you work your way out of debt if you are currently in debt.

Advantages of budgeting:

- Makes it easier to track and control spending
- Shows where you are spending too much
- Can relieve and reduce money related stress
- Can help with managing debt
- Can help free up and save money
- Can help with investing money (a way to make more profit from your money)
- Can help prepare for emergencies
- Can help when applying for a loan or a mortgage

How to stick to a budget:

- Consider quality versus price – cheaper things cost less but might need frequent replacement, so in the long term you end up spending more
- Keep your budget up to date – regular checks of your money allows you to see if you need to make changes
- Treat yourself – always factor in money for entertainment, holidays and rewards
- Self-discipline – changing spending habits takes a lot of willpower
- Be realistic – what can you really afford to spend, and pay off?
- Motivation – remember your reasons for spending and saving

Consequences of poor budgeting:

- A person may fall into debt
- A person might not be able to reach their goals
- A person might not be able to pay for essential items
- Difficulty in saving for the future
- Stress because of less money and debt

KPI3: Gambling

What is gambling?

Gambling is the act of wagering something of value (usually money), on an event/game with an uncertain outcome. The aim of which is to win something else of value (usually higher value).

How common is gambling?

More than two million people in the UK either have a gambling disorder or are at risk of addiction. Technology enables greater accessibility to gambling from an early age. E-sports gambling (i.e. betting on online match-play rather than in-person sporting events) is a particular vulnerability for young people.

Why do people gamble?

- For social reasons – This may be because it's what a group of friends do when they get together, or because it makes a social gathering more enjoyable.
- For financial reasons – to win money, because someone enjoys thinking about what they would do if they won a jackpot, or because winning would change someone's lifestyle.
- To clear debt – The temptation to get rid of financial worries in one day is a reason people gamble. People can win a lifetime salary in the space of a day, or lose everything.
- For entertainment reasons – because they like the feeling, to get that rush or "high", or because it makes them feel good.
- For coping reasons – for someone to forget their worries, because they feel more self-confident, or because it helps when they are feeling nervous or depressed.

Someone may be a compulsive gambler if they...

- spend more money on gambling than you can afford
- gamble when you should be doing something else, like working or spending time with family
- feel anxious or stressed about your gambling
- use gambling to deal with problems or difficult feelings
- lie to family and friends about your gambling
- borrow or steal to fund your gambling.

Problems gambling can cause:

- Relationship problems
- Financial problems, including bankruptcy
- Legal problems or imprisonment
- Poor work performance or job loss
- Poor general health
- Suicide, suicide attempts or suicidal thoughts

Low Stake Quiz

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

Sliding Scale – Lesson 1

Saving and Budgeting

Task: Complete the sliding scales below by circling a number to demonstrate your confidence level with each learning objective.

Sliding Scales

I can explain why we pay tax and what it is used for.



I can budgeting effectively for a variety of things including for a new home.



I can identify effective saving options and strategies



I can identify the pitfalls of not effectively budgeting.



Key words: Budget, savings, income, expenditure, salary

Task: Look at the table in your booklet. Do you think it is fair that different people pay different tax rates depending on how much they earn? Explain your answer.

Amount earned	% of earnings paid in tax
£0-12,750	0
£12,571 to £50,270	20 (basic tax rate)
£50,271 to £150,000	40 (higher tax rate)
Over £150,000	45 (additional tax rate)

Fair	Not fair

Task: Put a tick next to the images below that you think are 'essential spending' and a cross next to the images that you think are 'non-essential spending'.



Paying for Spotify



Gas



Sweets



Food



Nights Out



Travel to Work



Mobile Device Apps



TV Licence



Electricity



Cigarettes



Car Insurance



Computer Games



Clothing



Toothpaste



Rent

Planning your Budget

Case study: Ahmed



Ahmed

Ahmed lives in a village near Derby and enjoys spending time outside playing sports. He wants a career that keeps him fit and active so he has applied for a sports coaching apprenticeship.

He wants to start getting experience of the workplace straight away, as well as earning a salary. The role will be based at a school in Derby during term time and at a sports centre in the school holidays. He will live at home and pay his mum rent, and he will need to drive to work each day so will have to budget for petrol and other car costs including insurance.

He enjoys going to the cinema with his friends and plays in a football team at the weekend. He can get an apprenticeship discount card which will get him money off at the cinema and restaurants. Ahmed knows he will have to monitor his budget closely to make sure he can pay his bills and still enjoy socialising with his friends.

Spending Guide. Use the information here to complete the budget template for Ahmed.

Halls of residence	Living at home – rent	Phone contract	Music equipment	Food shopping	Gym membership	Socialising
£4184 per year	£80 per month	£25 per month	£50	£40 per week	£30 per month	£30 per week
Kitchen equipment	Football team membership	Flights	Discounted cinema ticket	Savings from Saturday job	Laptop	Books for studying
£20	£5 per week	£40 (one way)	£6 per visit	£400	£600	£200
Apprenticeship salary	Snacks and drinks	Maintenance loan living away from home (England)	TV license	Wages from part-time work	Car costs (petrol, insurance)	
£5850 per year net	£20 per week	£8430 per year	£150.50 per year	£30 per week	£100 per month	

Budgeting template: student sheet (4/5)



	Weekly	Monthly	Termly	Yearly
Income (1)				
Living costs (2)				
One off costs (3)				
Travel (4)				
Leisure (5)				
Total expenditure (2+3+4+5) = 6	£	£	£	£
Balance (1) – (6)				

If (6) is greater than (1), you need to think of ways to increase your income or reduce your expenditure.

Celia is looking to cut back her spending every month. At the moment she is spending everything she earns and thinks she can make some cuts.

Task 5:

1. Read through the information about Celia to give you an idea of the things that are most important to her.
2. Discuss which areas of spending that Celia could cut down on. Are there any areas in which Celia should not reduce her spending? Why is this?
3. Re-write the expenditure amounts in the column labelled 'Adjusted'. Some of these will remain the same, you may decide to reduce the spending in some areas.



Celia has been trying hard to cut back on her spending each month, but has never managed it – always spending everything she earns.

Find out a little more about Celia and then see if you can adjust her expenditure so that she has some money left at the end of the month.

Celia is nineteen and has worked for the council for just over a year. She is happy in her job and how much she earns, but so far she has not been able to save any of her income. Celia knows the only way to start saving is to cut her spending but doesn't have a clue where to start.

She thought about cutting her mobile costs, but this is on a contract with eighteen months left to run. Her travel is needed in order to get to work and some of her clothes she also wears for work. Celia loves going out with her friends, and that can get expensive!

Cigarettes are something she knows she should give up, but it's only really when she's out with her mates and she finds she just ends up buying some. Celia's music is important to her and she tries to buy a couple of albums each month.

If Celia did not smoke how much could she save each month?

How much could she save over six months?

INCOME		EXPENDITURE		ADJUSTED
work	£1,022	Rent	£305	
		Food	£220	
		Gas & Electricity	£55	
		Mobile device	£35	
		Going out	£210	
		Clothes	£70	
		Music	£25	
		Cigarettes	£22	
		Travel	£80	
TOTAL	£1,022	TOTAL	£1,022	

Low Stake Quiz

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

Sliding Scale – Lesson 2

Preventing and Managing Debt

Task: Complete the sliding scales below by circling a number to demonstrate your confidence level with each learning objective.

Sliding Scales

I can explain what a credit score is.



I understand the impact that a credit score has on my life.



I can identify the impact of being in debt.



Key words: Debt, credit score, bills, borrowing

Living within our means?

A budget allows you to keep track of your money. What goes into it will depend on your personal circumstances. You need to think about:

- Money coming in (income) e.g. regular allowance, allowance, pay from part-time work
- Money going out (expenditure) e.g. food/snacks, travel, clothes, entertainment, sports clubs If you need to borrow money think carefully before getting into debt, it may not be necessary or worth the risk.

Living beyond your means can be disastrous. We all want to have the best clothes, the nicest car. But amounting high amounts of debt through buying more than we can afford, can have ramifications for the rest of your life

Task 1: What are the consequences of not paying bills.

Item to be paid	Possible consequences of not paying.
Rent	
TV Licence	
Gas or electricity	
Mobile Phone	
Bank Loan/Overdraft	
Credit card/store card	
Payday Loan	
Family or Friends	
Water Rates	
Council Tax	

Task 3: Read the scenarios below with your partner. Decide whether the money should be borrowed or not. Explain your reasoning below.



Scenario 1

Over the last year Lorna has been getting the train to work every day, but has worked out that a car would be a much cheaper option in the long run. She doesn't have the money to buy a car so would need to borrow the money to pay for it.



Scenario 2

Thierry went on holiday with friends last year to Blackpool and had a great time. This year they want to go abroad to Greece, which is quite a bit more expensive. He hasn't got the money and would need to borrow it.



Scenario 3

Ella has just bought a house with no central heating. The only way of heating it is using electric heaters in each room which are really expensive to run. Ella would need to borrow the money to install a central heating system, but reckons that what she saved on the electricity used by the heaters would cover the cost of installing the system in two years.



Scenario 4

Your friends have tried borrowing money from the bank and have been refused. They have recently had a baby and are finding it a bit tough financially. You don't have any money to give them at the moment, but wonder if you should try to borrow some so that you could help them out.

Scenario 1:

Scenario 2:

Scenario 3:

Scenario 4:

Task 4: Watch the following video and answer the questions in your booklet.

What is my credit score and what does it do?

1. What is a credit score?

.....
.....
.....
.....

2. How is your credit score calculated?

.....
.....
.....
.....

3. What does your credit score do?

.....
.....
.....
.....

4. Give 3 ways you can have a good credit score?

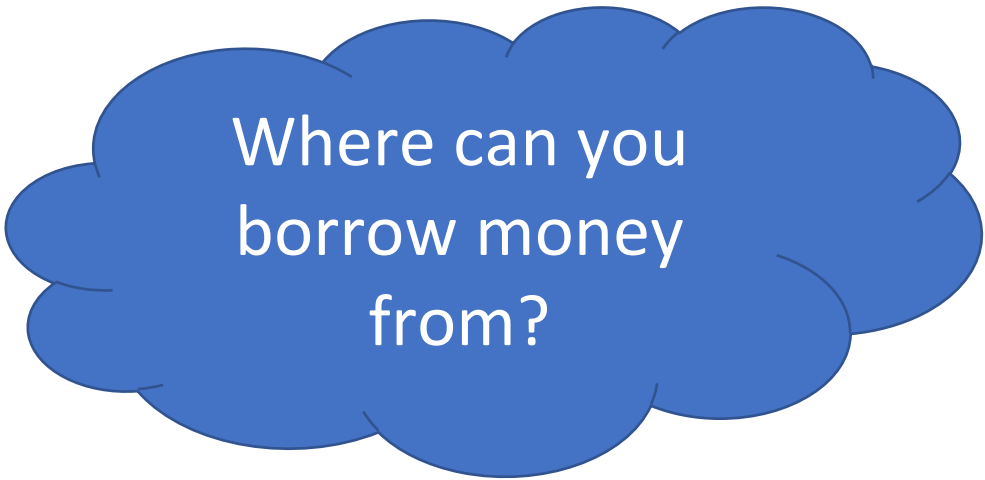
.....
.....
.....
.....

5. 3 things that will negatively affect your credit score?

.....
.....
.....
.....

If borrowing is needed then there are many different forms to consider.

Task 5: Complete the mindmap in your booklet to show the different ways to borrow.



Where can you
borrow money
from?

Task 6: Arrange the different ways to borrow (on your mind map) into an order of the lowest interest rate charged to highest interest rate charged.

Task 7: Read the situations in your booklet. Decide which form of borrowing is the best in each of the three situations.



Situation 1

Sian tries hard to plan ahead and has realised that next month she is going to have quite a few one-off expenses. Her income for that month will not cover what she expects to spend and she needs to think about the best way to borrow the money. In total she thinks the amount needed will be no more than £300. Her income each month is £1,200 and Sian is usually able to save around £100 every month.



Situation 2

Mo has recently found a new job, but it is twenty miles from his home. He needs a car in order to travel there and back each day. The car needs to be reliable and comfortable. Mo has savings of £2,000, but is looking to borrow £5,000 to add to this in order to get the car that suits his needs.



Situation 3

Will and Sarah have been living together in rented accommodation for the last five years. Now, with a baby on the way, they have made the decision to buy their own home. They have saved a deposit of £15,000 and are looking to borrow £110,000 to purchase a house they have seen. They would be looking to repay the debt over twenty five years.

Scenario 1:

Scenario 2:

Scenario 3:

Low Stake Quiz

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

Sliding Scale – Lesson 3

Gambling

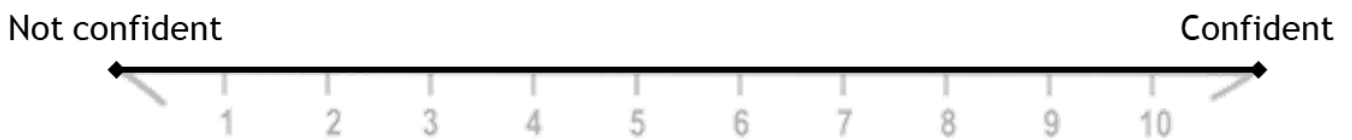
Task: Complete the sliding scales below by circling a number to demonstrate your confidence level with each learning objective.

Sliding Scales

I can outline the strategies for managing influences related to gambling.



I can explain why people are susceptible (likely) to gamble.



I can explain the relationship between gambling and debt.



Key words: Gambling, Debt, Risk, Influences, Wagering, Gamblers Fallacy

What is Gambling?

Gambling is the act of wagering something of value (usually money), on an event/game with an uncertain outcome. The aim of which is to win something else of value (usually higher value).

Task 1: Explain what you think the following terms mean?

Explain the following terms	
“Some people are born more likely to gamble than others; there is nothing you can do about that.”	
“The house always wins”	
“Gambling...the sure way of getting nothing for something	

Gamblers Fallacy

1. Explain what we mean by gamblers fallacy?

.....

.....

.....

.....

.....

2. Explain how gamblers fallacy can make us more susceptible to gambling?

.....

.....

.....

.....

.....

3. What advice would you give to someone travelling to a casino or bookies because they thought they were due a big win?

.....

.....

.....

.....

.....

.....

.....

.....

Danielle's story?

Danielle has been best friends with Angelique since they were at primary school. Over the summer, they started playing on the slots at an amusement arcade near where they live. Danielle spotted that Angelique was starting to want to stay later and later; she'd get angry if she suggested they leave.

Angelique said she just wanted to win back the money she'd put in. She was so close and she didn't want anyone else to win her winnings. Angelique had also started buying scratch cards – the shopkeeper hadn't spotted she was underage. Danielle wasn't really sure how she was getting the money to buy them.

Understand the mindset of the gambler?

Task 3: In pairs discuss why you think people gamble, and continue to gamble despite losses. Write 5 points in your Booklets.

Why do people gamble?

- 1.....
.....
.....
- 2.....
.....
.....
- 3.....
.....
.....
- 4.....
.....
.....
- 5.....
.....
.....

Task 4: Listen to the stories in the videos. Answer the questions in your booklet.

Alex & Chris Story

1. Why did Chris start gamble?

.....
.....
.....

2. Why did Chris he continue to gamble?

.....
.....
.....

3. Alex continued to gamble despite losing £127,000 explain why?

.....
.....
.....

4. Outline some of the consequences of their gambling addictions?

.....
.....
.....

5. How did this impact them financially?

.....
.....
.....

6. Explain the mindset of the gamblers?

.....
.....
.....

7. How did they stop gambling?

.....
.....
.....

8. How did they get help?

.....
.....
.....

9. What advice would you have given to Alex and Chris?

.....
.....
.....

10. What are the similarities of their stories and what do these similarities say about the mindset of gamblers?

.....
.....
.....

Strategies to manage risk and susceptibility to gambling

Task 5: come up with 5 strategies to manage the risk and susceptibility to gambling

Gambling risks and susceptibility strategies

1.

1.

1.

1.

1.

