Home Budget – income and expenses

Consider:

* Why is the statement: "This decision cost me a lot?„ so popular?
* Can you afford to endless shopping?
* How should you plan shopping?
* Is it worth it to plan household finances?
* Each of us has unlimited needs, many of which can be met by taking rational decisions often of a financial nature. It is therefore necessary to have basic knowledge about planning income and expenditure. If we forget, it can happen as described by John Isidore Sztaudynger, satirist and poet, in one of his epigrams: "Our budget is like Swiss cheese: the same holes and zeros".

Household

* **Household - the economic equivalent of the family, it is one person or many people who live together, achieve common incomes and co-decide about the contribution of work and expenditure on satisfying the needs of the individual and the team as a unity.** Most of it consists of several members but is treated as a unit. That is why we talk about the needs of individual family members (sports shoes, going to the cinema) and the needs of the entire household (buying a car, renovation).

Household budget

* **The budget - a financial plan that takes into account all revenue and expenditure of the household**.
* Rational decisions are forcing households to take action towards earning an income and spending them in accordance with the needs expressed by individual members and the family. For that to happen, it is necessary to anticipate events that may occur in the future and planning how to raise funds and on what they will be spent. The concept of budget therefore appears where there is talk about money management.

Income households and their origins:

 **from work:**

* the remuneration of an employment
* profit from running your own business
* royalties

 **outside of work**

* benefits (sickness, unemployment)
* pension and retirement
* donations
* games of chance

 **insurance benefits**

* loans
* charity help
* scholarships

 **from assets**

* rent for the rented apartment
* dividends from shares held
* interest on bank deposits
* sale of shares, bonds
* sale of things (picture car)

Household spending

* In order to meet the needs of members of their household, people buy goods or use services and incur a number of expenses from home budget.

 We divide them into two groups:

* **Final consumption expenditure** - **expenses incurred for the current needs of the family**. This is money for food, trips, tickets, furniture etc.
* **Investment expenditure – expenses that will result financial benefits in future.** These include expenditure on courses, driving license,life insurance, purchase of securities, premises for the purpose of lease ....

In different households there may be different balance between consumer spending and investment.

They depend on:

* **The size of household income** - the higher the income, the more money can be allocated for capital expenditure. At low-income primarily they meet the needs of lower-order or money are spent on buying the most needed goods and services.
* **Preferences and needs of the family** - sometimes it happens that despite large income in a household it is dominated by consumer spending. This is due to the needs of members of this household who prefer to have all sorts of good than to invest in securities that only in the future could bring profits.

**Budget hole:**

When we summarize achieved revenues and planned expenses it may be that the financial result

 varies. We can talk then about:

* **Balanced budget - the expenditure is equal to the income**
* **Surplus budget - expenditures are lower than revenues**
* **Budget deficit - expenditures exceeded income**

 Sometimes, to determine the deficit it is used the term "budget hole". We have to deal with it when household expenses are funded by borrowed money (from a bank, lending institutions or individuals).

A good way to prevent "the budget hole" in households is:

* budgeting, especially those things that absorb at one time a large sum of money;
* do the shopping with a list - that is, buying things really necessary and not shopping on impulse;
* compare prices for the same products in different stores;
* careful approach to promotion, which often only seemingly are extremely attractive;
* the timely paying bills - so as not to pay them penalty interest;
* savings in everyday life - eg. the exact turning off the water, extinguishing the lights in rooms that do not spend, using energy-saving light bulbs;
* investing money or their deposition "for a rainy day";
* undertake additional work.

Bank service – what is it?

Consider:

* What services provide commercial banks?
* What follow when choosing a bank?
* What is a difference between bank deposit and personal account?
* How to calculate which investment is more attractive?
* What should you choose: a loan or a credit?

Bank services:

Browsing the bank offers we meet different services.

  **In bank, you can:**

* set up a personal, savings account or investment
* raise money in the form of a loan or credit
* store valuable things in the safe-deposit box
* exchange foreign currency
* benefit from financial advice

 Today, most people have bank accounts called personal accounts or savings account settlement on which are deposited funds or by which people raise additional funds.

**Savings account:**

* Hoarding money:

 money are resources on demand, which means that you can pay out them at any time from your

 account and freely dispose of them.

* Monetary settlements cash and cashless:

       payments for rent, electricity, telephone, etc.

 making on-line money transfers

* Bank loans

      the use of bank loans based on money flowing through the owner’s account

The condition for opening an account is to have a regular income, eg. salary, pension, scholarship, etc.

A personal account is usually related to a payment card. With it, you can make payments in shops or withdraw cash at ATMs. For account, card issuance and other services, banks charge fees.

If a bank customer has free funds he can store them in a savings account or a bank deposit.

* **Savings account** - this is the type of account with a higher interest rate. This account combines the advantages of deposits and current account. Please note that usually only the first paycheck of the month is free for another, depending on the bank, you have to pay even several dollars.
* **Bank term deposit** - a form of saving money consists in making available certain amount of money for the bank for a specified period of time. In return, the client receives interest, the amount of them depends on the deposit amount and duration of the contract.
* **Capitalization -** periodic calculation of interest, it can be

   annual, half-yearly, quarterly, monthly, etc.

 Interest is calculated in each capitalization and

 added to basic amount on which is counted more interest**.**

 John has 1000 $ and wants to open a deposit annually. The Bank offers him interest rate of 5% per annum. How much money will receive John after a year of saving, if he could benefit from the capitalization of quarterly, half-yearly or annual basis?

* *Annual capitalization:*

After one year: 1000+ (1000X0,05)=1050,00$

* *Half-yearly capitalization:*

After six months: 1000+(1000x0,025\*)=1025,00$

After a year: 1025+(1025x0,025)=1050,63$

* *Quarterly capitalization:*

After one quarter: 1000+(1000x0,0125\*\*)=1012,50$

After two quarters: 1012,50+(1012,50X0,0125)=1025,20$

After three quarters: 1025,20+(1025,20X0,0125)=1038,02$

After a year: 1038,02+(1038,02x0,0125)=1051,00$

* \* the annual interest rate divided by 12 months and multiplied by 6
* \*\* the annual interest rate divided by 12 months and multiplied by 3
* Calculating the amount accumulated in the account after a few years, you can use the following formula:
* K = Ic (1+r%/m)n\*m
* where:
* Ic - initial capital
* r% - interest rates on deposits
* m- amount of capitalization in the year
* n - number of years of saving

Credit and a loan – is it a way for a lot of money?

Consider:

* what do you do when you run out of money for a dream holiday trip?
* is it worthwhile to take the loan?
* why in the market there are so many offers of credit and how to choose the best one?
* what is the difference between a credit and a loan?

Credit and a loan – is it a way for a lot of money?

* The market economy is characterized by the fact that it operates in the market mechanism itself, influencing the behavior of economic agents.
* For many people, shopping is not only a necessity but also a hobby and pastime. This entails the need to have money, which are usually lacking to meet all your needs and desires. You can get them from banks in the form of loans and from other firms that are engaged in lending.
* It is worth remembering the words of Ralph Waldo Emerson - American essayist: "Money often cost very much," so you should carefully analyze when, how much, where, under what conditions, lend it at all.

**A bank credit** - loan agreement in which the bank agrees to make available to the borrower's funds for a specific purpose and for a designated period of time. It is the duty of the borrower to use the money as intended and timely repay of the full amount together with accrued interest and commission.

* The person applying for the loan must take into account that it will be checked for creditworthiness or financial capacity necessary to repay the loan according to the agreement.
* There are many criteria for the distribution occurring on the market. One of them is the acceptance criterion by which we distinguish between loans to households and loans to enterprises. For borrowers more important is the destination criteria by which it is easy to figure out what needs to satisfy, obtained money can be spent.

Types of loans

**A loan on bank account**: the bill, commonly called revolving credit or credit line is designed for regular customers of the bank. Its maximum height is determined on the basis of the average monthly inflows to the account. The great advantage is the renewable nature of the credit. This means that after repayment of all or part we can re-use, within the limits specified in the contract limit. The interest rate of this service is relatively low, and interest is calculated on actual debt, which actually lowers its cost.

**Overdraft:** is a loan similar to that on the bill. The same is related to a personal bank account, and is drawn by exceeding the state money held in your account. However, the assumption is a service road. Each payment on account reduces the debt, but the interest is calculated on the total amount of the overdraft. Certainly, a great convenience for the customer is no need for submission of the loan application and the resignation of the bank from the study of history and creditworthiness.

**Mortgages:** are an example of loans granted for a specific purpose - the purchase of housing, major renovation or construction of a house according to the project submitted, are long-term - incurs them for 20, 30 or even more years. That is why the bank in this case very rigorously checks the customer's credit worthiness and requires adequate protection, which is mostly mortgage. At first glance, it seems that these are the cheap loans, because the monthly payments and costs are not great. However, when we count all interest paid over decades we will get sum often representing 50-70% of the property.

* **Credit card** - the type of payment card, which can make transactions up to the limit specified in the agreement. Every month the bank sends the cardholder settlement of the operations it performed. His timely repayment is extremely important because this type of loan is the high rate of interest. In the event that the full amount of the debt will be repaid before the end of the so-called. The holder of the interest period will use borrowed money for free.
* **Car loan** - a loan for a specific purpose. Its repayment is spread over several years, however, the bank requires a certain collateral assignment recorded in the registration and proper vehicle insurance.
* **A consolidation loan** - a loan intended for the repayment of other debt and contingent liabilities. Consolidation of commitments, resulting in prolonged period of credit and a reduction in interest rates. As a result, the customer pays a lower installment thus preserving liquidity.
* **Consumer credit**

 cash- is incurred to cover the current needs of temporary financial difficulties

 installment - the purchase of equipment housing. These are short term loans and high interest

 rates (interest, insurance, commission).

 Mortgage loan - granted for any purpose, secured on real estate. In case of inability to repay the loan property becomes the property of the bank.

* **Lombard loans** - granted under the pledge of movable property (securities, jewelery, antiques).

**In the case of loans** they are not placed such high demands as with credit and paperwork are not so time-consuming. Because the risk of a credit is significantly greater, they are expensive, which means that the borrower must pay more money.

|  |  |  |
| --- | --- | --- |
| **Characteristic** | **loan** | **credit** |
| Subject of the contract | Money or things | Money |
| Who gives | Bank or other firm which can give them | Bank |
| Rules | You get money or things to use | You get money only for fixed-term |
| Form | Oral or written | Written |
| Purpose | Any | Clearly defined |
| Regulations | Civil code | Bank rules, civil code |

Now, when on the market there are many commercial banks and each of them has several loan offers consumers may have trouble selecting the best loan for them. The choice turned out to be accurate, should pay attention to:

**Cost** - the amount of interest and commission, and often required by the bank insurance.

**APR** - annual percentage rate is the total cost of interest taking into account the costs associated with granting a loan: the fee for processing the application, the fee for preparation and conclusion of an agreement, the fees associated with the loan collateral - mortgage costs, account maintenance fees.

**Protection** - to minimize the risk of loan default by the customer, banks can verify client's financial situation and to require mortgage, surety or guarantee given by a third party, or collateral assets that the client has.

Here you can fing some more information how to teach enterpreneurship to children.

<http://www.slideshare.net/SlideSupply/10-reasons-to-teach-kids-entrepreneurship>

<http://www.tesguide.eu/tool-method/big-13-enterprise-skills-associated.htm>

<http://www.entre-ed.org/_teach/elem-ed.htm>

<http://eacea.ec.europa.eu/education/Eurydice/documents/thematic_reports/135EN.pdf>

<https://www.youtube.com/watch?v=VVgIX0s1wY8>

How to teach entrepreneurship:

Here are more lessons plan and advice how to teach entrepreneurship:

**Business Plan Basics**

**The business plan is a tool to help you find and explore opportunities.**

Students at any level of education can use the concept of preparing a business plan as a method of exploring all kinds of ideas for starting a business. It is merely a series of questions that lead you to think about the requirements and the possibilities of any kind of business. Until you start to ask these questions, you aren't able to visualize the details necessary to be successful in a business.

There are many different approaches to writing a business plan, some more complex than others. But the basic components of a business plan can be organized as follows:

\* providing a description of the business,

\* choosing the best marketing strategy,

\* identifying the management plan, and

\* analyzing the finances needed to start the business and make it successful.

**WHY DEVELOP A PLAN?**

The **process of making choices** is the most important reason for anyone to learn how to write a business plan. It is fun to think of yourself as a business owner, to dream about your successes, and to talk about your ideas. But when you have to answer the specific questions of a business plan, you must make decisions about the direction your business will take...decisions that may show you that this idea is not likely to be successful. But, no problem, then you can go back and make different decisions until you find a way to be successful.

As a teacher, you can use the business plan as a learning activity at all levels of education. For very young students it can be included as part of a simulation about the processes of business. It can reinforce skills being taught in math, communications, spelling, art, and computer skills. In fact a teacher of history or geography could use the business creativity approach to identifying ways to start a business using their curriculum as the source of ideas. It could give students a closer feeling of what it was like to live in different times in history, or in different parts of the world.

Language teachers have a natural opportunity to teach use of a language for business in other countries by having students create a business for exporting or importing there. You might even connect students with these countries through the Internet.

The closer a student is to becoming an adult, the more important it is to give them real-life opportunities to practice making decisions about a business of their own. The practice of business planning is an experience important for the learning process. And every time a student does this decision-making the possibility of really starting a business becomes more tangible.

**A VARIETY OF APPROACHES IN THE CLASSROOM**

Many high school courses are teaching the skills of entrepreneurship. In such courses the teacher can give the students many types of challenges to develop a business plan for.....

\* a business needed in your town

\* a business using your own personal skills and talents

\* a business that involves exports to another country

\* a home-based business

\* a business that could be started with $1,000

\* a business that would require $50,000 to start

\* a business that would require $1,000,000 to start

\* a franchise that you develop and offer nationally

\* a service business

\* a partnership between two students in the class

\* a corporation formed by small groups in the class

\* for the worst possible business idea you can imagine ...try it, you will be surprised.

For adult students it is critical to help them actually start a business...because that is why an adult is taking the course. In this case you must deal with realities of finance, skills, and personal abilities. They are beyond the time for dreaming and need help to get started.

**TRY *PACE***

You can find real examples of a business plan in the PACE Entrepreneurship Training Materials available from The Ohio State University. PACE is developed at three levels, 1). for beginners, 2).for more advanced students, and 3). for the adults that are ready to start a business. See information under the curriculum section of this web page.

The following activity is designed for you to give students a chance to learn how to plan a business and experience the process of decision-making that will enable them to do the real thing some time in their lives.

**BUSINESS PLAN QUESTIONS**

The business plan is a tool designed to help you find and explore opportunities. It also provides you with a way to analyze potential opportunities continuously. A business plan is personal and should never be "canned" or prepared professionally by others. No one knows you or your ideas better than you do. It is the process of seeking the answers to important questions about your enterprise that are important as you try to realize the dream of owning your own business.

Use the following questions to make decision about a business idea of your choice. Be sure to write out your answers...to remember your decisions and build on them.

1. How can you describe the business...in only one paragraph please?
2. What is your product, or service?
3. Who will buy it?
4. Where should you locate the business?
5. How can you attract customers?
6. What is your competition?
7. How much should you charge for the products or service?
8. What advice do you need and who can provide it?
9. How will you organize the managers and/or workers of the business?
10. How will you split the profits? Who is responsible for the losses?
11. What should you consider to be able to produce the product and get it to the customer?
12. How much money is needed to get the business started?
13. How many customers will you have per month and how much will they buy per month?
14. How much does it cost to make the product or provide the service?
15. What are your operating costs? (Include your own salary)
16. How much money will your business earn each month by selling your product or service?
17. How much investment will you need to keep the business going until you make a profit?
18. What is your potential profit per year for Year I, Year II, and Year III?
19. How much money do you need to borrow to start this business?
20. How will you make the business grow in the future?

There are other questions you might ask depending on the type of business you have in mind. There are many different formats for a business plan based on what you need for the business of your choice. The point is to start asking yourself questions and then looking for the answers.

Are you having trouble getting started? Perhaps you should interview a local business owner about these decisions in relation to the startup of that business. Write down the answers and discuss them with other students to decide how you would have started such a business.

**Ideas for Starters**

You might want to think about some of the following types of business to get your business plan "thinking processes" moving:

* Lemonade stand
* Refreshment stand at local games
* Child care
* Hot dog stand
* Yard care
* Developing a web page for others
* Youth community center
* Shopping service for seniors
* Pet sitting
* Delivery services
* House cleaning service
* Janitorial services for local businesses
* Selling used clothes
* Jewelry making
* Catalog sales
* Temporaries agency
* Computer service business
* Add value to an existing product (packaging, new Marketing local crafts design, new customers, different size)
* Travel services
* Musical group
* Repair services (shoes, electrical equipment, cars, clothing, etc.)

**QUESTIONS FOR CREATIVE THINKING**

Use some of the following questions to guide your thinking about starting a business:

A. What kind of business would you start if your family would lend you $5000 to get it started?

B. What kind of business would you start if you and two classmates had access to a loan for $100,000?

C. What kind of business could you start if you want to do business with another country?

D. What type of business could you start while still going to school?

E. What type of business could you start using the skills you have now?

F. What type of business could you run while also working in a part time job (to provide the security of a salary while the business grows)?

G. How could you start a business and then later make it into your own franchising business for purposes of expansion?

After developing your business plan you will want to discuss your ideas with the class or an advisor to improve your plan and determine what you learned in the process of preparing a business plan. Now that you are thinking like an entrepreneur you may find these same questions pop up about many different business possibilities as you experience new opportunities in life.

**SOURCE NOTE: The above materials are adapted from *PACE, Unit 5, Business Plan*, available from the Center on Education and Training for Employment, The Ohio State University, 1900 Kenny Rd., Columbus, OH, 43210; also:** [**http://www.entre-ed.org/\_teach/activits.htm**](http://www.entre-ed.org/_teach/activits.htm)

 **Ideas for Entrepreneurship Activities in the Schools**

Teachers are great sources of ideas for learning activities that provide experience in entrepreneurial skills...and often they don't even know they are doing so. Any teacher in the secondary schools can help students understand the opportunities of our entrepreneurial economy by infusing entrepreneurship-related activities in their regular course of study. Such experiences may change the vision of their future for many of our youth.

As you seek to infuse entrepreneurship in any type of course...social studies, math, language skills, science, business classes, career exploration etc., the teacher should think about the 15 Standards identified by entrepreneurs as the knowledge skills and attitudes important for students to address as they think about becoming an entrepreneur. [Check out the National Content Standards for Entrepreneurship Education](http://www.entre-ed.org/Standards_Toolkit/)for ideas about creating entrepreneurship activities for any type of curriculum.

Be sure that your activities encourage students to think creatively...not just to determine how business operates now. Help them to ask questions about how businesses might be created in new and better ways, using new and different processes. Open their eyes to the entrepreneurial opportunities that are all around us.

**Interdisciplinary Entrepreneurship**

(The following suggestions were contributed by teachers in a brainstorming activity as part of the New Jersey School-to-Work Coordinators' Meeting. You might try this with a staff of teachers in your school...dividing them up into discipline small groups and encouraging creative thinking. Then take the best ideas and implement them in the classroom).

**Social Studies and Entrepreneurship**

\* Students set up a Small Town USA program in which they determine what types of business are needed.

\* Unit on "Workplace Yesterday, Today, and Tomorrow", bring in pictures and describe, talk to parents and/or grandparents. Expand on "Workplace Yesterday, Today, and Tomorrow" and note changes in technology, communications, transportation, and skills needed. Identify the cost of products in 1900 versus cost of products in the year 2000. Explain how wages are also part of the price. Discuss a business that reflects products from time past which are still able to be sold and how to market such products.

\* Map out a voyage, the ship is destroyed by a storm, and all survive on an island. What are the needs and possible results? Set up a government on the island and put together a plan for obtaining food, clothing etc. Decide who will be in charge of the various jobs on the island. Hold elections. Identify how products will be created and exchanged by the inhabitants.

\* Take a field trip to see the movie "Titanic" and discuss the reasons it has been a market success.

\* Envision an early American dry goods store in the West. In groups have students decide on marketing, goods available, location etc.

\* Make a mini-store in class and students make products to sell.

\* Write resumes for yourself as an adult. Offer job applications for students to apply for a job as a cashier, a marketer, an accountant, a manufacturer, a warehouse manager, a business consultant, a teacher, etc.

**Science and Entrepreneurship**

\* In food science experiment with product development: Study the effect of heat/temperature on yeast products. Dissolve yeast for bread in three different temperatures. Make the bread and describe the results.

\* Choose an important nutritional concept. Develop an advertising plan to sell the idea. Develop a product line of nutritional snacks and decide how to sell them. Establish and name a company that will market the nutritional snacks. Organize the company. Identify positions and careers possible.

\* Students locate food ads in a magazine, mount them on index cards, and evaluate their nutritional content. Make a bulletin board display. Discuss the role of advertising in promoting nutrition.

\* Do bacterial tests around school. Collect data and generate a report. Sell anti-bacterial soap or wipes for students to use before lunch, etc.

\* Set up a weather station in which students take weather readings and market results in some form.

\* Study crystal formation by making rock candy. Discuss how a new product might be created from crystal formations.

\* Experiment with emulsions. Make salad dressing with and without emulsifier. Describe results, taste, etc. Conduct research on what emulsifiers are and how they are used in products.

\* Link with NASA to identify a science activity being conducted on Mears space station or other space explorations. What will research conducted yield in terms of a business. What businesses might emerge?

\* Collect flowers and plants to study.
Press them and make book marks to be sold at a school book fair.

\* Plan a student-run service of water sampling.

\* Students collect, sort, weigh materials collected from school trash for one day (paper, glass, metal etc.). Record results. Collect for a week. Describe amounts that would be accumulated over time, problems of disposal, types of businesses disposing of materials, and costs associated with trash. Describe problems of accumulation.

\* Start a recycling project. Collect cans and sell to a local recycle center. Analyze costs and income per pound. Structure a business format for the recycle project. Identify roles of individual class members.

\* Invite business people to speak to students on science-related businesses.

**Arts/Performing Arts and Entrepreneurship**

\* Identify entrepreneurial skills for individuals who choose the arts, such as musicians, writers, artists etc.

\* Create a business selling/marketing "Practice Partners" for students proficient in some musical instrument who will serve as practice partners, giving guidance and assistance for students who are preparing for music lessons.

\* Students create a "jingle" for an art show for use in a TV or radio advertisement.

\* Create attractive flyers, posters or web pages for a musical event in your community.

\* Use the computer art class to develop an ad that is attractively arranged. Develop a logo that would be interesting, attractive etc.

\* Develop a logo for the school baseball team to promote this season's games.

\* Develop Web Page designs for fellow students who are trying to set up their own page, incorporate logo, music sound wave, etc.

\* Create school postcards - students photograph various school scenes/activities, and market the postcards within school and community.

\* Start a "Birthday Party" entertainers unit - Students will develop entertainment activities to sell to busy mothers for children's birthday parties. Market the idea on the Internet by designing an interesting web page on birthday party ideas.

\* Create a series of posters representing each department elective, to be used in recruitment of students for next year. Think of how businesses recruit, and apply the techniques.

\* Develop a package design and marketing materials for a product to sell. Develop a TV commercial for your product. Create a TV or radio ad for your business using role playing, audio and videotaping.

\* Music classes work with history and art classes to promote a product.

**Math and Entrepreneurship**

\* Analyze pros and cons of a business location, charting/graphing traffic flow and interpreting it.

\* Develop a survey of the market to sell a product.

\* Use spread sheets (Excel) to project operating costs of a business

\* Examine business space requirements according to equipment and inventory needs, and draw up a plan.

\* Calculate cost per square foot of a given business plan.

\* Reconcile a checking account balance for a business.

\* Analyze recurrent expenditures and forecast annual costs

\* Discuss how competition may affect the price of goods.

\* Calculate costs of taking business into global markets.

\* Project future profits given expansion data.

\* Track stock market for 6 months. Project profits over next 2 months. (Percents plus dollar amounts)

**Language Arts and Entrepreneurship**

\* Plan selling and marketing of a given book. Discuss what should be included in the book to make it marketable. Analyze the effects of supply, demand, profit, and competition on small business. Visit local book stores to observe and analyze their marketing techniques. Develop a plan to sell the book. Write ads to promote the book.

\* Write a business plan

\* Have students survey the student body on topics of interest for a book club (survey on hobbies/interests). Then open the book club, selling books of the most interest. Develop a Powerpoint presentation to sell your business to potential stock holders.

\* Have each student write a career plan with values and goals. How does that plan lead to being an entrepreneur?

\* Discuss how to sell an ad for the school newspaper.

\* Have students research a business or industry and write informational news release for the school newspaper. Use the research for a term paper.

\* Create and design a logo for a business. Research the potential clients. Present findings, both orally and in writing.

\* Read the Dave Thomas books, (*Dave's Way*, or *Well Done*). Discuss the experiences and ideas presented. Also discuss people they know who are successful entrepreneurs.

\* Interview some entrepreneurs in the community and share results of research in an essay, such as "Common Traits of Entrepreneurs".

\* Plan a small business assistance group in the school. Develop details of services and programs to be provided.

\* Have students study current ads and jingles to determine why they are successful. Discuss the ads that catch you attention and decide why they do.

\* Write to the local newspaper asking that the person responsible for their ads come to the class and discuss how to write an ad.

\* Have a mock radio program and write the commercials for it.

\* Research the career opportunities in the media industries (newspapers, magazines, radio, tv, etc.)

\* Select a local business and determine what language skills are needed by the owner. List qualities necessary to be an entrepreneur.

\* Students prepare oral presentations on famous entrepreneurs and successful businesses.

\* Explore biographical background of an entrepreneur that relates to your business goals, ideas.

\* Interview and job shadow a local entrepreneur in your field of interest.

\* Contact an employer who has set up his/her own business and interview the person. Report results to the class.

\* Research, via the Internet, locations that would be good to set up a certain kind of business.

\* Write an employee handbook.

\* Have entrepreneurs talk to class about mistakes made because of poor preparation in school.

\* Explore customer relations and problem solving as they relate to particular industries or businesses of student interest.

\* Ask an entrepreneur to share successes and failures. Then have students and speaker explore ways of building on the success and avoiding or remedying the failures.

\* Form groups that will help to write a curriculum for younger students to gain skills in creating a business. Older students will identify what is essential and serve as mentors to the younger students.

 **SOURCE:** (This activity was published in EntrepreNews & Views and is free to copy for use in the classroom. EntrepreNews & Views is published by the Consortium for Entrepreneurship Education, Columbus, OH.)

**Note to Instructors: Please share the outcomes of similar brainstorming activities with us. We are always looking for ideas to share. Send to Cathy Ashmore, 1601 West Fifth Ave., # 199, Columbus, OH 43212 or by e-mail:** **AshmoreC@aol.com****.**

**These activities were found on: http://www.entre-ed.org/\_teach/activits.htm**

**OTHER IDEAS FOR TEACHERS:**

Good idea is to talk about money: ask students why do we need money. Divide children into groups and tell them to create mindmaps. After that groups presents their work and talk about the role of money, for exapmle:

It is hard to imagine the functioning of the economy without money.

It is a great invention of mankind. In the past money he has different forms.

Different cultures used a variety of goods and objects have served as money eg., Leather, salt, cattle, stones, shells, trinkets, and then metals, first base, such as iron, bronze, copper, and with time precious metals - silver and gold.

Money can be anything that people will accept as a form of accountability for bought and sold goods and services (means of payment). It is particularly important that the commonly accepted currency would such features as: durability, divisibility, portability and storage. It's hard to pay good that quickly breaks down or can not be divided into smaller parts.

Money has several basic features:

 • expresses the value of a good or service, indicating how much is worth a thing in terms of another. It facilitates trade. When "invented" money, people no longer had to wonder whether such profitable to replace four kilos of fish to three meters of fabric. They could convert the value of the fish in money and determine if it is the same as the value proposed by a merchant of fabric.

• measures the deferred payments which may be made only at a later time; It allows borrowing to be repaid in the future. If the buyer needs the means to purchase goods for them, which will be traded in the future, may borrow. Repay it in the future - when the sale of goods.

• Use a store of value (saving, hoarding), so that people can put aside part of the income and spend it only in the future, knowing that savings will not lose its value.

• is used to pay for purchased goods and services - is widely accepted means of payment

1. Ask a few volunteers to explained - what is the money? Show children shells, matches, beads - ask whether these items could be used as money? Listen to what the students tell and summarize, explain, that money can be whatever people accept this role. Please note that not all the money was banknotes and coins - as it is now. The role money played a variety of things, for example. Salt, tea, shells, animals, amber, dried fish, various metals, tobacco, beads, ivory. Point out that contemporary we are increasingly dealing with money we do not see. That's what happen when we pay card - are so-called non-cash transactions. Emphasize that each country has its own currency. Ask if students were once abroad, whether they remember how they called themselves the money they used there? Please note that some countries have volunteered to introduce a common currency. It is a dozen European Union countries that have adopted the common European currency - the euro. Poland and other countries also can join once these countries - then we abandon the gold and currency in our country will become just the euro.

2. Suggest students short exercise - ask them to imagine that they moved to a country where there is no money. Discuss how different life of the inhabitants of that country. Ask for administering the effects of such a state. Save all observations on the board. At this stage what the students should not be judged and selected. In conclusion, please note that among these students' ideas outweigh the positive effects, or rather negative.

3. Ask students whether they have heard of a wooden pajacyku named Pinocchio, whether they know his story? Talk briefly about the adventures of Pinocchio known to them and associations related to this character.

4. After a brief introduction, read (or ask for volunteers to read) part of the book Carlo Collodi "Pinocchio," which describes one of the adventures of Pinocchio (auxiliary material No. 3). Ask for listening carefully to the text. Then talk to students about this situation. Ask - who met Pinocchio? After what he needed the money? How he wanted to get the necessary sum? As they called money, which was used in the country Pinocchio? 7. Referring to what the students and the read portion of a literary text, discuss the functions of money:

• as a means of payment - it is a widely accepted means of payment (the names read the text soldy were widely accepted means of payment - through a junk peddler four soldy bought from Pinocchio primer for which it soldy that he could buy a ticket to the theater);

 • measure of value - is the value of goods or services (ticket to the theater was worth four soldy);

• a store of value because it can be used in the future - (Pinocchio had not delivered the money from the sale of primer, but put them in the future, soldy would become savings - would measure hoarding).

 5. Talk with students about whether they have their own money where they are - whether they get pocket money, they receive a gift from loved ones, or can get for carrying out minor works? Pay attention to the subject of pronouncements were a source of income, not the amount or extent of its resources. Then ask where adults have the money? Proposals students write on the board. To sum up what the students underline those as a source of money to have indicated job. Select the primary source of income for most families (households) is the employment, or employment, for which (employees) receive a wage. But also people can derive income used by himself farm, from self-employed (eg., Leading his own company). Some people living on pensions (eg. The elderly), rent (eg. The sick or people with disabilities), or other benefits, for example. Unemployed. You can also derive income from renting houses, flats, savings.

6. Divide the class into 5 groups, ask that a representative of each group drew for a team task to accomplish (auxiliary material No. 4). Specify the time to execute commands. During exercise control the work of pupils, make sure you have correctly perform calculations. Then ask for an exchange of tasks between the groups (in this way, all students will have the opportunity to perform all tasks). After work, ask the teams that presented the execution of their tasks. Check the results of calculations, discuss the work of each group, note that the work has been done in accordance with the instructions.\*

\*we used ideas from: <http://www.nbportal.pl/>

\* We used part of the book Carlo Collodi "Pinocchio", ed. Green Owl, Kraków 2009, p. 25. For the record, it sounds like this:

[Pinocchio] finally he reached the large and densely populated square. The crowd thronged around the circus tent, built of wood and colorful fabrics. - What is the tent? - Asked Pinocchio encountered a boy. - All the information is on the bill, read it to find out! - Gladly I would have done it, but just today I can not read. - Oh, you cabbage głowo! I will read to you. In this poster fiery red letters form the word: GREAT Marionette Theater - How long it takes longer show? - Just getting started. - What is the price of the ticket? - Four soldy. Pinocchio, driven by the desire to see the show, lost all sense of decency and utterly alien niezażenowany asked the boy: - Can you lend me tomorrow four soldy? - Oh, yes, I would love it, but just today I have no money - mocked the boy Pinocchio. - Can you give four soldy for my doublet? - He proposed a puppet. - And what would I need a paper kubraczek that rozklei at the first rain? - Or would you take my shoes? - Suitable only for kindling. - And how do you like my bonnet? - Cap the bread crust - it is really excellent offer, but only for mice. Pinocchio was shaking as if he was standing on hot coals. He had up his sleeve yet another proposal, but did not dare her to make. He wondered, hesitate. Finally, he decided: - Will you give me four soldy behind this brand new primer? - I am a child and I do not buy anything from the kids - said the little boy [...] - I can give you four soldy for the primer - proposed a junk peddler who witnessed the conversation. Primer changed ownership.

\* TASKS FOR GROUPS

Imagine that you were asked to design a banknote. Talk in the group about who or what you would like to put on "your" bill. Select one idea and develop design of the banknote.

\*Wojtek bought 5 baloons for 5 złoty. What coins could he used?

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Other good idea to teach students enterpreneurship is a group game „How much is worth your answer?”.

1. Divide student sinto groups of four/five.
2. Each group get at the beginnig 1000$.
3. The first group chooses number of a question (you have to prepare it before the lesson, it can concern the topic from last lesson), teacher reads the question. Students say how much will they bet, for example 300$. If they answer good, they earn the money, if the answer is wrong, they lose what they’ve bet.
4. Then you ask another group.
5. The group which has got the biggest sum at the end, wins the whole game.