

The **Get Real with money** series develops financial capability and life skills in secondary students and covers learning objectives within the UK financial education curricula. Season 2 spans four episodes each comprising a **short film, a dynamic teacher's presentation, PDF worksheets** and a **flexible lesson plan** (30, 60 or 90 minute sessions or combine to use on a curriculum/enterprise day).



EPISODE 4

Welcome to the empire... not quite! Though Ben believes he's making history, Rio - the voice of reason - talks quantities and economies of scale as the trio consider business set-up costs. Students do the same as they design logos, straplines and learn about managing risk.

LEARNING OBJECTIVES

- ▶ Students will have more knowledge of business terminology and a basic idea of what's required to set up a business.

CURRICULUM LINKS

11-14 years

- ▶ The functions and uses of money, the importance and practice of budgeting, and managing risk.
- ▶ Increasingly understand the world of finance and apply arithmetical and graphical methods in this and other contexts.

14-16+ years

- ▶ Take into account personal and economic circumstances when evaluating.
- ▶ Make rational decisions based upon my needs or those of others.
- ▶ Know how to access, assess and evaluate financial advice.

LESSON BREAKDOWN	TIMING	INSTRUCTIONS
<p>Introduction</p> <p>Slide 1: Character introduction Slide 2: Learning Objectives Slide 3: Film</p>	5mins	<ul style="list-style-type: none"> ▶ Introduce the characters and learning objectives using Slides 1-2. ▶ Use the film as a group discussion tool: <ul style="list-style-type: none"> - What are their thoughts? - Do they think it is realistic? - What would they do?
<p>Setting up in Business</p> <p>PDF 1a: Business Definitions - Worksheet PDF 1b: Business Definitions - Answers PDF 2: Setting up in Business PDF 3: Business Set-up Costs - Options PDF 4a: Business Set-up Costs - Worksheet PDF 4: Business Jargon Slide 5a-b: Finding funding</p>	40mins	<ul style="list-style-type: none"> ▶ Use PDF 1a: Business Definitions - Worksheet to get students more familiar with terminology used in a business environment. Allow time for them to discuss and complete the worksheet use slide 4 or the answer sheet provided ▶ Handout PDF 2 Setting up in Business. Discuss the main points to consider when setting up in business and ways of funding a new business. ▶ Using PDF 3b-e Business Set-up Costs - Options, students work in pairs. Using the options sheet students consider what level of investment they need to start up – 3 options are given. ▶ Students use PDF 4a-b Business Set-up Costs - Worksheet. Ask them to think about what business they would like to set up in the future and a suitable name. ▶ Some students may come up with a simple business idea that could be started with a laptop in their bedroom so may complete this task quickly. If this happens ask them to do some market research and look at local competitors. ▶ Students then design a logo and a strapline for their business. ▶ Ask 3 or 4 pairs to present their business ideas to the rest. They should explain their ideas and where they would get their investment from.
<p>Consolidation Quiz</p> <p>Slides 6-8</p>	5mins	<ul style="list-style-type: none"> ▶ Use the final three slides to ask questions, check understanding and find out how far learning objectives have been met.

ANSWERS

<p>PDF 1 Business Definitions - Answers</p>	<table border="0"> <tr> <td>1. An amount of money paid/given for borrowing or saving - normally a percentage of the total borrowed/saved.</td> <td>INTEREST</td> </tr> <tr> <td>2. An amount of money borrowed from somewhere else that has to be repaid - usually with interest.</td> <td>LOAN</td> </tr> <tr> <td>3. A way of buying a part of a business. A company allows people to buy a small stake in it to raise money for the business to grow.</td> <td>SHARES</td> </tr> <tr> <td>4. Someone who has bought a small part of a company. They buy and sell parts of different companies as a way to make money.</td> <td>SHAREHOLDER</td> </tr> <tr> <td>5. The total amount of money a company has available to spend.</td> <td>CAPITAL</td> </tr> <tr> <td>6. The total amount of money made before deductions.</td> <td>GROSS PROFIT</td> </tr> <tr> <td>7. The amount of money left when all the necessary deductions have been made e.g. VAT etc.</td> <td>NET PROFIT</td> </tr> <tr> <td>8. The total of all costs involved in running a business, e.g. materials, wages, building costs etc.</td> <td>OVERHEADS</td> </tr> </table>	1. An amount of money paid/given for borrowing or saving - normally a percentage of the total borrowed/saved.	INTEREST	2. An amount of money borrowed from somewhere else that has to be repaid - usually with interest.	LOAN	3. A way of buying a part of a business. A company allows people to buy a small stake in it to raise money for the business to grow.	SHARES	4. Someone who has bought a small part of a company. They buy and sell parts of different companies as a way to make money.	SHAREHOLDER	5. The total amount of money a company has available to spend.	CAPITAL	6. The total amount of money made before deductions.	GROSS PROFIT	7. The amount of money left when all the necessary deductions have been made e.g. VAT etc.	NET PROFIT	8. The total of all costs involved in running a business, e.g. materials, wages, building costs etc.	OVERHEADS
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<p>Consolidation Quiz</p>	<ol style="list-style-type: none"> Gross profit. Use own money, family, Business Angels, crowdfunding, bank loan, grants, lottery win. It's one of the first things a customer / client will see or hear - it needs to be memorable and presented professionally. 																

FURTHER INFORMATION

SETTING UP IN BUSINESS TIPS

- ▶ Before setting up in business you'll need to research your business idea and get to know your market and competitors. A lot of information is available on the internet and social networks. Also talk to your potential customers to test your product/service directly with them.
- ▶ Choosing the right name for your business is very important as it's one of the first things any potential customer will see. Your business name needs to be memorable, easy to say - you don't want it being pronounced incorrectly! - and it must look good online and in print.
- ▶ You'll need a company logo that will make your company look professional and may also communicate to your customers what you do.
- ▶ Decide where you are going to set up your business - do you need to hire office space, a workshop or can you work from home? Some businesses require a lot of money to set up and some are minimal and may be started in a bedroom at home with a laptop.

WAYS TO FUND YOUR BUSINESS

- ▶ **You / Family** - you may have some savings of your own or have family members that really like your idea and are prepared to invest some money in your new venture.
- ▶ **Business Angels** - Wealthy individuals (similar to the Dragons in Dragon's Den) who invest their own money for a percentage share of your business. They also give advice, share skills, knowledge and have an understanding of your market. They will want your business to grow so that their investment grows as the business grows.
- ▶ **Crowdfunding** - For crowd funding to be effective you need to have an idea that appeals to a lot of people. The internet has made this possible; if you have the right idea and a good presentation on a crowdfunding website then there is hope!

- ▶ **Bank loan** - You have to be 18 to get a bank loan. You may be able to borrow money over a set period of time, usually several years, paying interest and repaying with set monthly instalments.
- ▶ **Grant** - There are many different types of grants available through the Government and charities, e.g. the Princes Trust, to help you set up in business. You will have to go through the application process that could be quite complicated.
- ▶ **Win the lottery!**