

My money sense recount

By Rishabh Haria

On Thursday 5th March 2020, I took part in a money sense workshop run by the people from NatWest bank.

What we did

In our money sense workshop we created a new business. Our business was smoothie making. We had to determine which smoothies we would sell, the ingredients for the smoothies and what price we would sell them for.

What we used

We started with a budget of £25 and we allocated £6 to buy ingredients such as fruit, milk and juices.- This left us with a balance of £19. (We used pretend money to purchase the ingredients!). This allowed us to make 6 smoothies. Each smoothie cost £1 to make.

We also used worksheets to calculate our profit and loss. Posters were also designed for advertising our products and ideas.

We priced our smoothies between £2 and £2.50 each. See table below:

Smoothie	Cost	Price	Profit
banana	£1	£2	£1
strawberry	£1	£2	£1
Banana and strawberry	£1	£2.50	£1.50

What I learnt

On the day of our money sense workshop, I learnt that you cannot buy too many ingredients as you may end up spending too much money leaving you with a small amount of money. I also learnt what profit is. E.g. If your goods cost £1 to make and you sell it for £2, you will make £1 profit ($£2 - £1 = £1$).

How this relates to real life

This relates to real life as if you are a businessman you will need to ensure that the costs of making your goods, is less than the price that you sell your goods for to make a profit. You also need to

account for the cost of advertising your product as this will also reduce your profit.

Successful Businessmen keep costs down so that they can make good profits on selling their goods.

Would I recommend this for the future year 4?

I would recommend this for the future year 4 as the NatWest Bank actually went through profit with us and I really understood it. Now I know what profit is and how to run a business if I become a businessman.

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