

# INSURANCE

## AGES 11-14

## ACTIVITY

# 3

### Financial Education Secondary Planning Framework links:

I can describe why insurance is important and identify situations where I might need different types of insurance **11-14**

I understand I need to take control of my money and alter my budget if my personal or financial circumstances change, or factors that affect everyone change e.g. economy, interest rates **11-14**

**TIME:**  
30 Minutes



### MATERIALS:

- Family Scenario cards
- Your Money Matters (optional)
- The following images: a mobile phone, a house, a musical instrument, a person, a dog, a suitcase & a car

## ACTIVITY



This activity will help students start thinking about how insurance could help us save money in the future.

Begin the activity by showing the following images, ask the students to call out when they recognise the financial product that links the items:

- a mobile phone, a house, a musical instrument, a person, a dog, a suitcase, a car

Insurance is the financial product that links each of these items.

### Insurance:

**A way to protect yourself against the financial loss of something going wrong. Insurance provides a guarantee of compensation for specified loss, damage, illness, or death, in return for payment of a specified premium.**

We can pay a small amount of money each month, or a lump sum each year, to an insurance company. The company will then cover any costs that occur as a result of certain unexpected events.

For further information about the benefits and risks of insurance, you could refer to [Your Money Matters](#) pg. 112-5 and the 'Risk and Rewards' section in the *Your Money Matters Teacher's Guide*.

Choose one of the **Family Scenario Cards** and explain that the family is looking to create a budget to include any insurance cover that they might need for the year.

Task the students to work in groups and identify all the types of insurance that the family might need. Share ideas as a class.

Ask the groups to choose one type of insurance from the list and discuss the following questions:

- 1. What are the risks of not taking out insurance for this item?**
- 2. What are the risks of choosing to take out insurance?**
- 3. Is this type of insurance required by law or is it optional? i.e. car insurance, business insurance**
- 4. Are there other ways to protect this item without insurance?**

Students could research these questions online or they could refer to *Your Money Matters*.

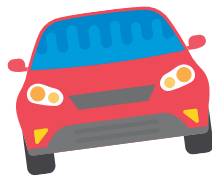
Ask them to put together a presentation for the family, explaining the options and arguing for or against the family prioritising spending for this type of insurance in their budget.

### DISCUSSION OPPORTUNITIES:

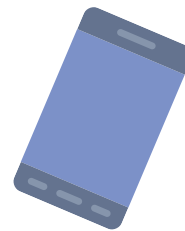
- Can insurance help us save money?
- What factors might affect the amount of insurance we pay?



**ACHEBE FAMILY**



**Flat**  
**Tablet**  
**Car**  
**5 mobile phones**  
**Cat**



**VARMA FAMILY**



**House**  
**Gaming console**  
**Flat screen TV**  
**2 x Mountain Bikes**  
**Dog**



**WALKER FAMILY**



**House**  
**Motorhome**  
**Car**  
**Flat screen TV**  
**Tropical Fish**

