



Activity sheet

Dear Martin

Scenario 1

Dear Martin,

I have just started a paper round that pays ten pounds a week. I want to buy a construction kit set that costs £150. My big brother says he will lend me the money and that I must pay him ten pounds a week until all the money has been returned to him. Do you think I should accept his offer and borrow the money?

Josh (aged 14)

Scenario 2

Dear Martin,

I have just left college and got a job in a library. I don't have much money in my savings account but have just applied for a credit card so I can pay for all the items I've wanted as a student but couldn't afford. I know I don't have all the money to buy everything now but if I put it in on a credit card I don't have to pay until much later. Is that right and is it OK for me to use my credit card?

TJ (aged 21)

Scenario 3

Dear Martin,

I have just passed my driving test and want to buy my own car. I have seen a second hand one for £500.00 but the insurance and tax will cost me another £800.00. Of course there's all the petrol costs as well and repairs for if it breaks down. I only have £300 in my savings and I am wondering about taking out a loan from the bank. They said I can pay it back over 12 months and the interest rate is only 5%. Do you think I should take out this loan?

Shaz (aged 19)