**Topic: On the road**

Subtopic 5: money, money, money!

Phase 0: MC a

1. Which of the following sentences is **false**?
2. To make a profit the expenses must be lower than the revenues.
3. Most shopkeepers try to make a loss.
4. Expenses are how much you pay to make something.
5. Revenues are what you get in money when you sell something.
6. In which European country do people **not** pay with euros?

A. Belgium

B. South Africa

C. Portugal

D. Great Britain

1. What is profit?
2. Profit is when you get more for something than what you paid for it.
3. Profit is when you win a product without having to do anything for it.
4. Profit is what you are paid when you sell something.
5. Profit is the same as loss.

Phase 1: Lesson a

Yum yum! Those biscuits look delicious. It's a pity that I cannot eat them because the year 5 students are going to sell them!

**Who wants to buy our home-made biscuits?**

The year 5 students have made biscuits. They are going to sell them to raise money for new costumes for the school party. They are baking chocolate biscuits in order to sell them to the teachers and parents.

**Expenses and revenues**

Every sale has expenses and revenues.

The money that the year 5 students must pay to make the biscuits are the expenses. They need sugar, butter and flour as ingredients for the biscuits. They pay 10 euro for all the ingredients. This allows them to make five boxes of biscuits. Thus, each box of biscuits costs Marie's class 2 euros.

* Expenses = how much you pay to make something.

The teachers and parents pay 3 euros for a box of biscuits. The money that they raise by selling biscuits is called the revenue.

* Revenue = how much money you get when selling something.

**Profit**

You can make a profit or a loss when selling things. If you make a profit then that means you get more for something than what you paid for it. How can the year 5 students make a profit?

The year 5 students paid 2 euros to make a box of biscuits. If they sell them for 3 euros per box then they will make a profit. That is because their revenues are greater than their expenses. After selling the biscuits they have 1 euro more than when they started. They made 1 euro profit.

**SO: profit means that the revenues are greater than the expenses.**

**Loss**

But you can also make a loss. What does that mean? Look at the examples.

1. You paid 200 euros for your bike, that is the expense. You sell it for 150 euro, that is the revenue. Your expenses are greater than your revenues. So in the end you have less money than before you bought the bike. You made a loss.
2. The baker sells a sandwich for 30 eurocent – the revenue. But he must pay 50 eurocent per sandwich for the ingredients – the expenses. His expenses are therefore greater than his revenues. The baker now has less money than he had before he made the sandwiches.
3. Marie's class could also make a loss. That would happen if they only asked 1 euro per box of biscuits. With 2 euro of expenses per box and 1 euro of revenue, their expenses are greater than their revenues. In that case they made a loss.

**SO: Loss means that the expenses are greater than the revenues**

Every salesman wants to make a profit on his products. He has to make a good calculation. He must make sure that he gets more money for his product than what he paid for it. If a salesman makes a loss on a product then the price is too low. The price must be increased.

Phase 2: Application a

Read the situations. Are they making a profit or a loss?

1. There is a new shop in town: a kite shop. The shopkeeper makes all the kites himself. It costs 7 euros to make a kite. The shopkeeper sells the kites to the children for 5 euros. Does the shopkeeper make a profit or a loss? Click on the right answer.

PROFIT LOSS

Als juist: Well done, the kite maker makes a loss. He sells the kites for less money than what it costs to make them.

Als fout: Wrong. The kite maker does not make a profit, he makes a loss. He sells the kites for less money than what it costs to make them.

1. During the school party you can buy chips at school. A package of chips costs 2 euros. The school paid 1 euro per package to make the chips. Does the school make a profit or a loss? Click on the right answer.

PROFIT LOSS

Als juist: That's correct! The school makes a profit because they get more money for the chips than what it cost to make them.

Als fout: That's not right. The school does not make a loss, they make a profit. They get more money for the chips than what it cost to make them.

1. To shampoo and cut someone's hair costs the hairdresser 4 euros. The customers pay 10 euros to have their hair cut. Does the hairdresser make a profit or a loss? Click on the right answer.

PROFIT LOSS

Als juist: Well done! The hairdresser makes a profit because he gets more for a haircut than what he has to pay.

Als fout: That's not correct. The hairdresser does not make a loss, he makes a profit. He gets more for a haircut than what he has to pay.

1. The Scouts are selling hot chocolate at the Christmas market. Customers pay 1 euro for a glass of chocolate milk. A glass of chocolate milk costs the Scouts 2 euros. Are they making a profit or a loss? Click on the right answer.

PROFIT LOSS

Als juist: Good job! The Scouts are making a loss because they get less for a glass of chocolate milk than what they paid for it.

Als fout: Wrong. The Scouts do not make a profit, they make a loss. They get less for a glass of chocolate milk than what they paid for it.

**Click on a price so that you make a profit and a price so that you make a loss.**

|  |  |
| --- | --- |
|  | Expenses to make a skateboard: 60 euros  Price to sell it with a profit:   1. 40 euros 2. 70 euros 3. 60 euros   Als juist: Good job! By selling the skateboard for 70 euros you make a profit.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 70 euros because that is more than 60 euros.  Price to sell it with a loss:   1. 40 euros 2. 70 euros 3. 60 euros   Als juist: Good job! By selling the skateboard for 40 euros you make a loss.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 40 euros because that is less than 60 euros. |
|  | Expenses to make ice cream: 1 euros  Price to sell ice cream with a profit:   1. 50 eurocent 2. 1 euro 3. 2 euros   Als juist: Good job! By selling the ice cream for 2 euros you make a profit.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 2 euros because that is more than 1 euro.  Price to sell ice cream with a loss:   1. 50 eurocent 2. 1 euro 3. 2 euros   Als juist: Good job! By selling the ice cream for 50 eurocent you make a loss.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 50 eurocent because that is less than 1 euro. |
|  | Expenses to make a pair of sports shoes: 20 euros  Price to sell a pair of sports shoes with a profit:   1. 10 euros 2. 50 euros 3. 20 euros   Als juist: Good job! By selling the sports shoes for 50 euros you make a profit.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 50 euros because that is more than 20 euros.  Price to sell the sports shoes with a loss:   1. 10 euros 2. 50 euros 3. 20 euros   Als juist: Good job! By selling the sports shoes for 10 euros you make a loss.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 10 euros because that is less than 20 euros. |
|  | Expenses for a taxi ride from your house to the seaside: 10 euros  Price to sell a taxi ride to the seaside with a profit:   1. 10 euros 2. 20 euros 3. 5 euros   Als juist: Good job! By selling the taxi ride for 20 euros you make a profit.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 20 euros because that is more than 10 euros.  Price to sell a taxi ride to the seaside with a loss:   1. 10 euros 2. 20 euros 3. 5 euros   Als juist: Good job! By selling the taxi ride for 5 euros you make a loss.  Als fout eerste keer: No, that’s not correct. Reread the question and try again.  Als fout tweede keer: No, that’s not correct. The correct answer is 5 euros because that is less than 10 euros. |

Phase 1: Lesson b

**Cash, bank transfer and Bancontact**

People can pay in different ways.

- You can pay with notes or coins. In that case you pay with cash.

- You can also pay by bank transfer. In that case you pay with money that is on your bank account. When you give the order, the bank makes sure that money is put on the bank account of a shop or someone else.

1) You can transfer money by paying with your debit card in the shop. In Belgium, that is called Bancontact.

2) You can also transfer money by going to the bank and giving them a piece of paper with an order.

**The euro**

You can pay with euros in most European countries. That is not the case in Great Britain and Switzerland. Their currencies are the British Pound and the Swiss Franc. Each European country used to have a different currency. In Belgium people used to pay with Belgian francs, in the Netherlands with guilders and in Spain with pesetas.

All that changed in the year 2002. Many European countries started using the same currency: the euro. The euro has lots of advantages:

- We no longer have to exchange our money for a different currency when we go to a different country.

- People do not have to calculate how much something costs in their own currency.

For example, if you bought bread in the Netherlands it used to cost about 4 guilders, which was about 80 Belgian francs. You had to calculate all the time. Now bread costs about 2 euros in Belgium and in the Netherlands. That's a lot easier, don't you think?

Phase 2: Application b

True or false? Click on true or false for each sentence.

1. When you pay with a debit card in the shop you are paying with cash.



True or false

Als juist: That is indeed not true. When you pay with your debit card you are paying with Bancontact. You are paying with cash when you pay with coins and notes.

Als fout: This is incorrect. When you pay with your debit card you are paying with Bancontact. You are paying with cash when you pay with coins and notes.

1. Giving the bank the order to put your money on a different account is called Bancontact.



True or false

Als juist: Very good! That is not called Bancontact, it is called a bank transfer.

Als fout: That's not right. If you give the bank an order then you are making a bank transfer. Bancontact is when you pay with your debit card.

1. People pay with euros in every European country.



True or false

Als juist: That's correct! In some European countries people pay with a different currency.

Als fout: That's not right. In some European countries people pay with a different currency.

1. The euro has many advantages. For example: we do not have to exchange our money anymore when we go to a different European country.

True or false

Als juist: That's right! Good job!

Als fout: That's not right. It is definitely an advantage of the euro that we no longer have to exchange our money.

Phase 3: MC

1. Which of the following sentences is **false**?
2. In Europe people have always paid with the euro.
3. Because of the euro, people in almost every European country do not have to exchange their money when they go to a different country.
4. The euro makes it easy to compare prices between different countries.
5. You can pay with the euro in almost every European country.

* Als juist: This sentence is indeed incorrect. We only started using the euro in 2002. Before 2002 each country had its own currency.
* Als fout: No, this sentence is correct.

1. In which European country do people **not** pay with euros?
2. Argentina
3. Belgium
4. Switzerland
5. Spain

* Als juist: Correct! In Switzerland they do not pay with euros, they use Swiss francs.
* Als fout: That's not right. Switzerland is the European country where people do not pay with euros.

1. What is a loss?
2. A loss is what you must pay to make something.
3. A loss is when you lose a product and do not get anything in its place.
4. Loss is the same as profit.
5. A loss is when you get less for something than what you paid for it.

* Als juist: Very good! That is the correct answer!
* Als fout: No, that’s not correct. The correct answer is: “A loss is when you get less for something than what you paid for it."