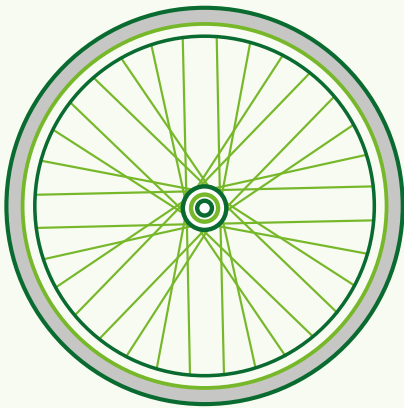


'Spend, save or borrow' scenarios



Jack: Save or spend?

Jack has £200 of birthday money. He wants a new bike and has seen two that he likes. He could buy the cheaper one now for £200, or save another £100 to get the one he really wants. If he offered to do some extra jobs around the house or saved his allowance, then he could probably save quite quickly.

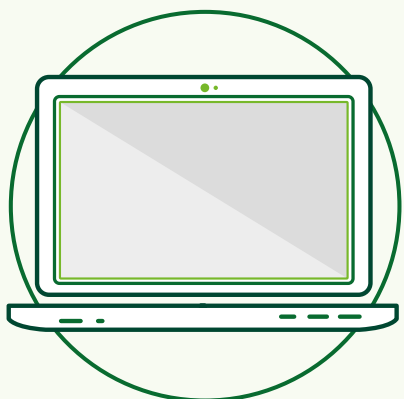
? What should Jack do?
Save? Spend?



Lola: Spend, save or borrow?

Lola has saved her £10 per week allowance for over 10 weeks because she is planning a trip into town to buy some new clothes. Her Mum tells her that they are going to London as a treat. She is really excited about the idea of London, but she really did want to get some new clothes. Her Mum says that she will lend her an extra £50 for their trip to London, and she can pay it back from her weekly allowance when they get back home. If Lola spends all of her own money buying clothes now, and borrows from her Mum, she won't have any money for over a month after the trip while she pays her Mum back.

? What should Lola do?
Spend? Save? Borrow?



Aleena: Spend, save or borrow?

Aleena really wants a new laptop to keep up with her online gaming friends. It will help with college work too. She has seen one she wants and it costs £700. She has saved £700, but it will use up all of her savings and she will lose the interest she would earn in her bank account after a year, which is £30.

She has seen an offer at the shop to buy the laptop, on an interest free deal over 12 months. There is a £15 charge for setting up the deal. She could ask her Mum to do the deal at the shop, or pay on her credit card.

? What should Aleena do?
Spend? Save? Borrow?