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| **Topic Overview** | |
| **Topic** | Strategies and Management  E4: Resources Management – Simple interest, Compound Interests & Time Value of Money |
| **Level** | S3 |
| **Duration** | 3 lessons (40 minutes per lesson) |

**Learning Objectives:**

1. Understand the concept of simple and compound interests,
2. Understand the concept of time value of money, present value and future value, and
3. Apply the concept of time value of money and calculate present value and future value.

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| **Overview of Contents:** | |
| Lesson 1 | Simple Interest |
| Lesson 2 | Compound Interest |
| Lesson 3 | Time Value of Money |

**Resources:**

* Topic Overview and Teaching Plan
* PowerPoint Presentation

**Suggested Activities:**

* Class Discussion
* In-class exercise

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| **Lesson 1** | |
| **Theme** | Simple Interest |
| **Duration** | 40 minutes |

**Expected Learning Outcomes:**

**Upon completion of this lesson, students will be able to:**

1. explain the concept of interest,
2. calculate interest by using simple interest formula,
3. explain and apply the concept of discount, and
4. name the financial products using simple interest.

**Teaching Sequence and Time Allocation:**

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| **Activities** | **Reference** | **Time Allocation** |
| **Part I: Introduction** | | |
| * Teacher introduces the concept of interest | PPT #2 | 3 minutes |
| **Part II: Content** | | |
| * Teacher explains how to calculate simple interest with example | PPT #3 – 5 | 8 minutes |
| * **Activity 1: In-class exercise**   + Students are required to calculate the principal by using simple interest formula. * Teacher goes through the answers with students and makes conclusion. | PPT #6  PPT #7 | 3 minutes  2 minutes |
| * Teacher introduces the concept of borrowing and discount. * Teacher provides further example of simple interest calculation for bank deposit. | PPT #8 – 11  PPT #12 – 13 | 8 minutes  4 minutes |
| * Teacher describes financial products using simple interest. | PPT #14 | 5 minutes |
| * **Activity 2: In-class Exercise**   + - Revision for simple interest calculation. * Teacher goes through the answers with students and makes conclusion. | PPT #15  PPT #16 | 3 minutes  2 minutes |
| **Part III: Conclusion** | | |
| * Teacher concludes the lesson by reviewing the key points covered. |  | 2 minutes |

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| **Lesson 2** | |
| **Theme** | Compound Interest |
| **Duration** | 40 minutes |

**Expected Learning Outcomes:**

**Upon completion of this lesson, students will be able to:**

1. explain the concept of compound interest,
2. calculate interest by using compound interest formula, and
3. describe the concept of present value.

**Teaching Sequence and Time Allocation:**

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| **Activities** | **Reference** | **Time Allocation** |
| **Part I: Introduction** | | |
| * Teacher introduces the concept of compound interest and compare it with simple interest. | PPT #2 – 3 | 3 minutes |
| **Part II: Content** | | |
| * Teacher explains how to calculate compound interest with examples. | PPT #4 | 5 minutes |
| * **Activity 1: In-class exercise**   + Students are required to calculate compound interest. * Teacher goes through the answers with students and makes conclusion. | PPT #5  PPT #6 | 5 minutes  5 minutes |
| * Teacher demonstrates the use of formula for calculating compound interest with an example. * Teacher explains daily and continuous compound interest calculation. * Teacher introduces the concept of present value and its calculation. | PPT #7 – 9  PPT #10 – 12  PPT #13 – 16 | 5 minutes  5 minutes  10 minutes |
| **Part III: Conclusion** | | |
| * Teacher concludes the lesson by reviewing the key points covered. |  | 2 minutes |

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| **Lesson 3** | |
| **Theme** | Time Value of Money |
| **Duration** | 40 minutes |

**Expected Learning Outcomes:**

**Upon completion of this lesson, students will be able to:**

1. apply the concept of time value of money,and
2. calculate present value and future value.

**Teaching Sequence and Time Allocation:**

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| **Activities** | **Reference** | **Time Allocation** |
| **Part I: Introduction** | | |
| * Teacher recaps the nature of present value and discusses with students why one dollar today is worth more than one dollar in the future say 1 year later. | PPT #2 - 3 | 8 minutes |
| **Part II: Content** | | |
| * Teacher introduces the concept of future value and its calculation. * Teacher explains the application of present value and discounting cash flows calculations. * Teacher introduces time value terminology denoted on a timeline. * Teacher continues the discussion of the application of present value and discounting cash flows calculations. | PPT #4 – 7  PPT #8 – 9  PPT #10  PPT #11 – 12 | 9 minutes  4 minutes  2 minutes  4 minutes |
| * **Activity 1: In-class exercise**   + Students are required to make decision by using the concept of time value of money. * Teacher goes through the answers with students and makes conclusion. | PPT #13  PPT #14 | 6 minutes  5 minutes |
| **Part III: Conclusion** | | |
| * Teacher concludes the lesson by reviewing the key points covered. |  | 2 minutes |