

# Forever Compounding



## About this Lesson

This lesson demonstrates various ways to incorporate financial literacy learning into the study of a novel, by asking the question, “Are any of the characters in a unique situation that would require a different approach to savings and investing in order to ensure their financial survival?”

Grade Level	Course(s)/subject(s)	Learning Goal(s)	Suggested Timing
<b>10</b> <b>11–12</b>	ENG2D (Academic English)  Similar expectations are in many of the senior courses too	At the end of this lesson, students will: <ul style="list-style-type: none"><li>• identify vehicles for saving and investing</li><li>• compare various savings and investment</li><li>• vehicles by calculating simple and compound interest</li><li>• differentiate between short-term and long-term savings and investments</li></ul>	One period

## Curriculum Links

[English, grades 9 and 10 \(2007\)](#)

English (ENG2D)

Writing



# Forever Compounding



## **1.3 Research**

Locate and select information to appropriately support ideas for writing, using a variety of strategies and print, electronic and other resources, as appropriate.

## **2.1 Form**

Write for different purposes and audiences using a variety of literary, graphic and informational forms.

## **2.4 Sentence Craft and Fluency**

Write complete sentences that communicate their meaning clearly and accurately varying sentence type, structure and length to suit different purposes and making smooth logical transitions between ideas.

## **3.5 Proofreading**

Proofread and correct their writing, using guidelines developed with the teacher and peers.





## Materials List

- Six markers of different colours
- Six pieces of chart paper
- Internet access
- Student copies of Advising Your Immortal Client (Appendix A, customized for an immortal character of your choice)
- Final Writing Task (Appendix B)
- Immortal Client Rubric (Appendix C)
- Literature Study Guide (Appendix D)

Timing (Mins.)	Lesson Sequence	Assessment for and as Learning Opportunities (self/peer/teacher)
<b>MINDS ON</b>		
	<p><b>Graffiti activity</b></p> <p>Divide the class into six groups.</p> <p>Distribute six pieces of chart paper (one for each group), with one of the following questions written in the centre:</p> <ul style="list-style-type: none"> <li>• What is your source of spending/saving money?</li> <li>• How much money do you spend in a week?</li> <li>• Where do you go to spend money?</li> <li>• What do you spend your money on? What do you buy?</li> <li>• Do you save money? If yes, what do you save it for?</li> <li>• Imagine that you've just received a one-time gift of \$10,000 from a rich aunt. What will you do with it?</li> </ul> <p>Distribute a different colour marker to each group.</p> <p>Have the groups spend two minutes considering each question. Each member of the group should be given the</p>	





opportunity to answer the question, writing down their answers using the coloured marker provided. When the two-minute mark is up, signal groups to pass the chart paper to the next group in a clockwise direction.

When all groups have responded to each question, post the chart paper on the wall.

Allow everyone sufficient time to read the answers to each question.

As a class, highlight patterns that emerge in the answers.

Timing (Mins.)	Lesson Sequence	Assessment for and as Learning Opportunities (self/peer/teacher)
<b>MINDS ON</b> (cont'd.)		
	<p><b>Context for Learning</b></p> <p>Bill Fold is a character who is constantly getting himself into financial scrapes. Use the scenario below to provide students with a context for learning.</p> <p>Bill Fold loves to read vampire-themed novels. He notices that immortal characters always seem to be wealthy (e.g., Dracula, Edward Cullen in <i>Twilight</i>, Connor Macleod in <i>Highlander</i>, the Salvatore brothers in <i>The Vampire Diaries</i>, Lestat de Lioncourt in <i>The Vampire Chronicles</i>, and Dorian Gray in <i>The Picture of Dorian Gray</i>). How could this be?, Bill wonders. He contemplates both the financial benefits and difficulties of living forever, particularly within the context of our current capitalist economy.</p>	
<b>ACTION</b>		
	<p>Distribute handout Advising Your Immortal Client (Appendix A). Although the handout refers to Dracula, this can be modified to suit other texts and characters. The activities in the handout give students the vocabulary and the numbers that they need to advise their client.</p>	<p><b>Note:</b> <i>The writing prompts suggested in the handout (Appendix A) require that students have previous knowledge of researching</i></p>





Students write a response to one of the prompts provided as the Final Writing Task (Appendix B) and submit it to you at the end of class. Discuss the Rubric (Appendix C), or alternatively develop one collaboratively in class.

*and organizing ideas, writing for purpose and audience and using a variety of forms and voices (fictional and non-fictional). These measures can be modified to reflect students' actual previous learning.*





Timing (Mins.)	Lesson Sequence	Assessment for and as Learning Opportunities (self/peer/teacher)
<b>CONSOLIDATION/DEBRIEF</b>		
	<p>Students return to their graffiti groups, where they share what they have learned and written. Direct the groups to make a connection to one of the graffiti questions and decide if their answers would now be different. A spokesperson from each group briefly shares the group results with the class.</p> <p>Ask the following questions:</p> <ol style="list-style-type: none"><li>1. What are the benefits and risks associated with investing money?</li><li>2. Why do you think that people are sometimes more inclined to buy that fancy sports car or that new gaming system, even though it may be to their advantage to make their money work for them by saving and investing?</li></ol>	





# Instructions for Advising Your Immortal Client





Dracula has just received a gift of \$10,000. He is now seated before you, seeking advice as to what he should do with his money. He tells you that he's looking pretty long-term, but confesses that he doesn't understand 21st century savings and investing. He needs your help to maximize growth on his money.

However, he tells you with a wink, he would really like that "blood red" sports car sitting on the lot across the street, if you can find a way to make that happen.

He departs, announcing that he'll return for answers in an hour. Dracula is not someone you want to keep waiting.

**First piece of advice: He should continue to build for long-term wealth.**

To find support for this advice, view the video *Building long-term wealth*:

[https://www.youtube.com/watch?v=b\\_6KWPhYBWw](https://www.youtube.com/watch?v=b_6KWPhYBWw)

You will want to explain to him what to buy if he wants to lose money, and compare that to investing money in something with less risk and greater potential to make him money.

Lose Money

Make Money

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To reinforce this, explain to him what it means when something depreciates in value. Now compare that to appreciation.

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**APPENDIX A**

**Instructions for Advising Your Immortal Client (cont'd.)**





**Second piece of advice: He should make his money work for him!**

But how can he do that? And, more importantly, how do you demonstrate this to him?

(The video Time is Money will help you organize your position and explain the differences between simple and compound interest:

<http://getsmarteraboutmoney.ca/education-programs/for-teachers/curriculum-tools/multimedia-resources/Documents/timeIsMoney/index.html>.)

<https://www.youtube.com/watch?v=1j0bAIdBJrU>

First, you should help him understand the meaning of simple interest:

What is simple interest?

Based on what you've learned up to this point, how much money will Dracula have 20 years from now if that \$10,000 gift earns simple interest at the rate of 2%? How about 200 years from now?

To calculate the interest:  $\$10,000 \times 0.02 \times 20 = \$$

Total accumulated after 20 years: \$

Total accumulated after 200 years: \$

Now it's time to discuss the benefits of compounding interest. This will make his money work for him.

Now explain how compound interest is different.

To calculate the interest:  $\$10,000 \times 1.02^{20} = \$$

Total accumulated after 20 years: \$

Total accumulated after 200 years: \$

How would your client benefit from compound interest as opposed to simple interest?





**APPENDIX A**





# Final Writing Task





Choose one of the following, to be submitted at the end of this class:

1. With numbers in hand, you are now ready to advise Dracula that investing his money to earn compound interest is the way to go. Write a business letter, addressed to your client, in which you detail the benefits. You may also wish to provide an example of the type of investments/accounts that provide simple interest along with an example of one that provides compound interest. Another point you should emphasize is that, while the car may be extremely appealing, you advise against it. Give your reasons for this.
2. Dracula returns to talk with you, and your meeting is a rather interesting one. Write a short story narrative that describes the events and the conversation that take place. Be sure to include details of the financial advice that you give him and his reactions to that advice.
3. In the voice of Dracula, describe your meeting with your advisor and write about your future financial plans after learning about simple and compound interest. Document what you have learned and how it has contributed to what you have decided as you face your future.

As always, remember to proofread your writing for the following:

- ✓ Have you organized your ideas and information effectively, linking everything together using smooth transitions?
- ✓ Are your sentences complete, with proper spelling, grammar and punctuation?
- ✓ Does the voice and tone of your writing suit the purpose, form and audience of your piece?



**APPENDIX B**





# Immortal Client Rubric





Category	Level 4 (80%–100%)	Level 3 (70%–79%)	Level 2 (60%–69%)	Level 1 (50%–59%)
<b>Knowledge and Understanding</b>				
Knowledge of content	Demonstrates thorough knowledge of content.	Demonstrates considerable knowledge of content.	Demonstrates some knowledge of content.	Demonstrates limited knowledge of content.
<b>Thinking</b>				
Planning skills (generating ideas, gathering information, focusing research, organizing information)	Uses planning skills with a high degree of effectiveness.	Uses planning skills with considerable effectiveness.	Uses planning skills with some effectiveness.	Uses planning skills with limited effectiveness.
<b>Communication</b>				
Expression and organization of ideas and information in oral, graphic and written forms, including media forms	Expresses and organizes ideas and information with a high degree of effectiveness.	Expresses and organizes ideas and information with considerable effectiveness.	Expresses and organizes ideas and information with some effectiveness.	Expresses and organizes ideas and information with limited effectiveness.
<b>Application</b>				
Application of knowledge and skills	Applies proficient knowledge of conventions in writing with a high degree of effectiveness.	Applies considerable knowledge of conventions in writing with considerable effectiveness.	Applies some knowledge of conventions in writing with some effectiveness.	Applies limited knowledge of conventions in writing with limited effectiveness.





Comments: \_\_\_\_\_

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Student's Name: \_\_\_\_\_ Mark: \_\_\_\_\_

**APPENDIX C**

Literature Study Guide





Financial matters affect our lives in more ways than we realize; they are interwoven into what we see, hear and do on a daily basis. It is therefore no surprise that fictional narratives, as a mirror of human experience, reflect these matters in various ways and on multiple levels.

The following suggestions, while by no means exhaustive, are intended to spark ideas concerning the financial aspect of the human experience as it is depicted in literature. Such an approach provides students with an additional perspective from which to approach a text while simultaneously enriching their own financial literacy.

### **Money in society**

This topic would include such things as the role of financial institutions; comparing current and historical trends in money; consumer protection; avoiding scams and schemes designed to defraud consumers; analyzing current data on poverty in Canada; and analyzing corporate social responsibility.

Questions:

1. Are there any schemes played out in the story that victimize one or more characters?
2. For historical and/or multicultural texts, does the setting provide details that suggest an approach to money that is specific to that time and place, which can then be compared to our own current time and place?
3. Do the public/private institutions in the story exert so much control that it affects the personal autonomy and freedom of the characters?
4. Are there any social inequities in the novel which would be altered, if not eradicated, were one or more of the characters in the novel to experience a shift in financial status?

### **Spending, saving and planning**

This would include concepts such as personal budgeting; credit and the costs associated with debt; establishing saving goals; comparing methods of saving and investing; making money grow through interest and dividends; considering risk and reward as it relates to investments; and planning for the future.

Questions:

1. How does the financial status of a character affect their experiences or those of other characters at any point in the story?
2. Does a character experience a struggle or decline as the result of financial difficulties or mistakes?
3. Could the story be dramatically altered by the introduction of a change in financial position of one or more of the characters?
4. Are there characters in the novel that could benefit from better financial planning?
5. Are there any relationships in the text which suggest that one character is financially dependent upon another or has power over another character because of their financial position?





6. Are any of the characters in a unique situation that would require a different approach to savings and investing in order to ensure their financial survival?
7. Do any of the characters have unique traits that would be interesting for students to explore within the context of spending, saving and financial planning?

## APPENDIX D

### Literature Study Guide (cont'd.)





## Examples in literature

The following list includes examples as to how the above questions can be applied to the analysis of character, setting and plot in diverse texts:

### **Austen, Jane. *Pride and Prejudice*.**

When considering the challenges faced by Mr. Bennett as the father of five financially dependent daughters:

1. Does the setting provide details that suggest an approach to money that is specific to that time and place, which can then be compared to our own current time and place?
2. Do the public/private institutions in the story exert so much control that they affect the personal autonomy and freedom of the characters?
3. Are there any social inequities in the novel which would be altered, if not eradicated, with a shift in financial status of one or more of the characters in the novel?

### **Dickens, Charles. *Great Expectations*.**

When considering Pip's experiences, before and after he is given the opportunity to be "a gentleman":

1. Does the setting provide details that suggest an approach to money that is specific to that time and place, which can then be compared to our own current time and place?
2. Are there any schemes played out in the story that victimize one or more characters?
3. Does a character experience a struggle or decline as the result of financial difficulties/mistakes

### **Gruwell, Erin. *The Freedom Writers Diary*.**

When considering the experience of the teacher and/or the students:

1. Are there any social inequities in the novel which would be altered, if not eradicated, with a shift in financial status of one or more of the characters in the novel?
2. Does the financial status of a character affect their experiences or those of other characters at any point in the story?
3. Does a character experience a struggle or decline as the result of financial difficulties or mistakes?

### **Hosseini, Khaled. *The Kite Runner*.**

When considering the relationship between Amir and Hassan and by comparing their experiences in the novel:

1. Are there any social inequities in the novel which would be altered, if not eradicated, with a shift in financial status of one or more of the characters in the novel?
2. Could the story be dramatically altered by the introduction of a change in financial position of one or more of the characters?





3. Are there any relationships in the text which suggest that one character is financially dependent upon another or has power over another character because of their financial position?

## APPENDIX D

