mashreq المشرق

NEO NXT

FUNANCE!

Making finance fun for your kids

What is debt & how to deal with it

Understanding debt - The tale of Sami and Layla

In the bustling metropolis of Abu Dhabi, two friends, Sami, aged 17 and Layla, aged 16, constantly searched for new experiences. They embarked on a project to showcase their financial skills by planning a major school event, raising donations for a charitable cause they cared about.

Guide to organising a large school function

The duo was enthusiastic to execute their plan, detailing essentials including decoration, food and beverages, sound systems and prizes for activities. They realised, however, that their budget was insufficient for these items.

Understanding debt

Seeking guidance, they turned to their parents. Layla's mom explained, "Debt is when you borrow money with a promise to pay it back later, usually with interest. It's like getting a loan for something important." Sami's father added, "Debt can be helpful, if managed wisely and must be carefully controlled. If you over borrow or don't plan properly, it could lead to financial difficulties.

The fundraising loan

Their parents agreed to lend them some startup money on one condition – "You can borrow this money now, but you must pay it back with your event's income." Sami and Layla agreed to secure the loan. With funding in hand, they immediately got to work, buying the essential supplies and booking the venue.

Budgeting & managing expenses

As they planned the event, Sami and Layla meticulously recorded their expenditures. When they realised that some of their initial ideas were expensive, they opted for more creative and affordable alternatives to stay within their budget.

Raising funds to repay

To repay their debt, Sami and Layla decided to sell tickets to the event and host fundraising activities. They also got a few sponsors to help cover some of the costs. Money earned from ticket sales and sponsorships were allocated toward repaying their parents.

Introducing the Mashreq NEO NXT Account

Layla's mom suggested, "To help you manage your money better, we'll open a **Mashreq NEO NXT Account**. This account will help you set goals and your savings." The **NEO NXT Account** simplified and added fun towards handling money.

Event day success & reflections

The event was a huge success. Students enjoyed the games, music and food. Sami and Layla raised more than expected money to repay their loan. They felt proud and accomplished, having learned valuable lessons about managing debt and organising a large project.

Lessons learned

Through this experience, Sami and Layla learned the importance of responsible borrowing and the necessity of a plan to pay it back. They continued to use their **Mashreq NEO NXT Accounts** to manage their finances and save for future projects.

The new beginning

Through their experience, Sami and Layla became smarter about money. They learned the importance of budgeting, planning and responsible borrowing. Their parents were proud of the valuable lessons they had learned. Henceforth, Sami and Layla undertook numerous fruitful projects, confident in their ability to tackle any financial challenge through diligent work, smart planning and some assistance from **Mashreq NEO NXT**.

Parents and kids, dive into your own financial adventures with Mashreq NEO NXT and learn the value of smart borrowing and saving!

Disclaimer - The characters and events in this tale are purely fictional. Any resemblance to an actual event or character is purely coincidental.

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Login to Mashreq Mobile App to open a NEO NXT Account for your child

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