



P2P Lending



Instant Lessons

EXAMPLE

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Lesson Plan: Peer-to-Peer Lending **EXAMPLE**

Lessons: Introduction, reading, listening, speaking (seminar) and writing.

Time: 1-1.5 hours + homework task

Level: *****[B1/ B2/C1].

Lesson Aim:

To focus on one key topic and develop a range of key academic skills based on this topic.

Introduction [5 minutes]

- Introduce the topic 'peer to peer lending'.
- Give out the '**Reading Text Worksheet**' and discuss the lead in questions.

Reading: Test-Type Questions [20-30 minutes + feedback]

- Students read the text. Check words & meanings with a dictionary.
- Answer the questions.
- Feedback: distribute or project **ANSWERS**.

Listening: Lecture & Test Questions [30-40 minutes + feedback]

Video: Available in paid download

MP3: Available in paid download

- Give out the '**Listening: Mini Lecture Worksheet**'.
- Students check key vocabulary.

Option 1

- Students look at the questions.
- Students listen & answer the questions.
- Give 2 minutes to tidy answers.
- Students listen again. Check answers & answer missed questions.
- Feedback: distribute or project **ANSWERS**.

Option 2 (harder)

- Students listen & take notes (*Use paper or the PPT slides in the Appendix*).
- Students listen again & add to their notes.
- Students use their notes to answer the questions.
- Feedback: distribute or project **ANSWERS**.

Speaking: Seminar [10-15 minutes]

- Give out the '**Speaking Worksheet**'.
- Students revise content from the reading & lecture texts.
- Students hold a seminar discussion using the question prompts.
How to run a seminar: <https://www.academic-englishuk.com/seminars>

Writing: Summary [20 minutes + tutor feedback]

- This can be a homework task if limited time.
- Students use the two texts (reading and listening) to write a 150-word paragraph on 'the reasons for the rise in '.
- Tutor to error correct & return: <https://www.academic-englishuk.com/error-correction>

Reading Text Worksheet

Task 1: Lead In

1. Why do you think people no longer use traditional banking for borrowing and lending?
2. Do you think [redacted]
3. Look at the title of the reading text – what do you think it is about?

Task 2: Reading Text **Peer-to-peer lending: potentially profitable yet increasingly risky**

By H. Kennedy (2022)

Peer-to-peer (P2P) lending, or also known as crowdlending, is a way of borrowing and lending money between individuals or [redacted] without a financial institution, such as a bank, acting as an intermediary (CFI, 2020). These P2P websites can offer direct [redacted] as well as alternative financing for those who seek to make a potentially modest profit from their investment.

The process of P2P lending to individuals first begins [redacted] a loan, via an online platform such as Zopa or Funding Circle. The applicant's financial account information [redacted]. Once approved and assigned a risk rating, the borrower will select a bid for a loan put forward by a lender, typically at a lower interest rate, and [redacted] usually through [redacted] over a number of years (European Commission, 2016). For companies, however, Saxon (2021) states that [redacted] enables them to carry out asset-backed lending, also known as invoice finance, whereby an organisation can borrow against monies from [redacted] in particular, developers can borrow money to help build a new property, which is used to repay the loan once the [redacted].

P2P lending has many advantages for both the borrower and lender. For borrowers, perhaps the [redacted] is that this [redacted] as many people are often refused a loan by their bank. Furthermore, if lenders are forced to compete to be able to invest in a business, then borrowers not only have a much wider choice of loan sizes and lenders, but they also have much more power to be able to [redacted] (European Commission, 2016). This also applies to lenders, who can, conversely, generate higher interest rates which [redacted] that could be earned from standard financial institutions, such as a savings account, which in turn could lead to [redacted] (HMRC, 2016). Notwithstanding, there are substantial risks involved for lenders, especially regarding personal loans, which [redacted] despite the introduction of [redacted] Conduct Authority (FCA) rules. Moreover, those new to P2P lending are limited as to how much they can invest, and it can often take a while [redacted] which can result in months with very little interest earned (Saxon, 2021).

References

- Corporate Finance Institute., (2020). *Peer-to-Peer Lending* [online]. Available at: <https://corporatefinanceinstitute.com/resources/knowledge/finance/peer-to-peer-lending/> [Viewed 07.02.2022]
- European Commission., (2017). *Peer-to-peer lending* [online]. Available at: https://ec.europa.eu/growth/tools-databases/crowdfunding-guide/types/p2p_en [Viewed 09.02.2022].
- HM Revenue & Customs., (2016). *Peer to peer lending* [online]. Available at: <https://www.gov.uk/guidance/peer-to-peer-lending> [Viewed 10.02.2022].
- Saxon, H., (2021). *Peer-to-Peer Lending* [online]. Available at: <https://www.moneysavingexpert.com/savings/peer-to-peer-lending/> [Viewed 08.02.2022].

Reading Text Questions

Task 3: Headings

Choose a subheading for each paragraph. One title is not needed.

1		A	Why has peer-to-peer lending become more mainstream?
2		B	
3		C	What are the benefits and risks of peer-to-peer lending?
		D	

___ / 3

Task 4: True, False or Not Given

Decide if these statements are true (T), false (F) or not given (NG). **Highlight** the answer in the text.

		T / F / NG
1	P2P lending is borrowing and lending money between two parties directly.	
2		
3	An individual's credit history must be checked before they can accept a loan offer.	
4	Property	
5	It is more time-consuming to obtain a loan from a bank.	
6		
7	Legislation from the FCA has made P2P lending more secure.	
8	There are	

___ / 8

Task 5: Vocabulary

Key language – search for the word(s) in the text that mean(s):

Paragraph		Word(s)
1	An organization that makes financial arrangements between individuals or companies.	
2		
2	The date on which the final payment is due on a loan.	
2	A	
3	To not accept someone or something.	
3	The that you pay for borrowing money or get for lending money.	
3		

___ / 7

Total Score ___ / 18

Listening: Mini Lecture Worksheet

Task 1: Key Vocabulary

Check these words and phrases before listening:

_____ fundraising	_____ reward	share (n.)	_____ campaign
stake (in a business)	network	_____ cause (n.)	bring to market

Task 2: Lecture Listening

Listen to the lecture on crowdfunding and answer the questions:



2.1 Gap Fill

Complete the origin of crowdfunding. The first letter is already given.

Crowdfunding first began _____ asked its fans to d_____ and they have continued to rely on c_____ from the _____ more music.

____ / 2

2.2 Name ONE reason for the rise in crowdfunding schemes.

--

____ / 1

2.3 Open Questions

Answer these questions about reward-based and equity-based crowdfunding.

i.	Who can benefit from reward-based crowdfunding?	
ii.	_____	
iii.	How does it help the fundraiser?	
iv.	_____	
v.	In equity-based fundraising, how is it different?	

____ / 5

2.4 Multiple Choice

Answer these questions about donation-based crowdfunding. Select ONE answer only per question.

i.	_____ donation-based crowdfunding?	A. Individuals _____ C. Charities and families
ii.	According to GoFundMe, for what reason do _____	B. Helping loved ones _____
iii.	In what other circumstances do people ask for _____	A. Costs for funerals, emergencies and education _____ C. Emergencies and memorials
iv.	What does a donor receive in return?	_____ B. A good feeling that they have helped someone _____

____ / 4

2.4 Gap Fill

What does the lecturer say about the implications of crowdfunding? Complete the gaps.

Although the number of _____ are predicted to _____, the level of _____ will too, as _____

____ / 2

Total Score ____ / 14

Speaking Worksheet

Discussion

Use the two texts (reading and listening) to discuss these questions:

Key Sources:

Reading: **Kennedy (2022)**

CFI (2020) / Saxon (2021) / EC (2017)

Lecture: **Watts (2022)**

GoFundMe (2021) / FSCS (2020) / UKCFA (2017)

Seminar Questions

- 1) [REDACTED]
- 2) What are the benefits and drawbacks for the parties involved?
- 3) [REDACTED]
- 4) How have both these concepts changed and will continue to change the financial landscape?
- 5) Summarise your discussion.
(Each person summarises one main interesting point discussed).

Writing Task

Summary

Use the two texts (reading and listening) to write a paragraph on the reasons for 'the rise in P2P

[REDACTED].

Write 150 words:

Reading ANSWERS

Task 3: Headings

Choose a subheading for each paragraph. One title is not needed.

1	<i>B</i>	A	Why has peer-to-peer lending become more mainstream?
2	<i>D</i>	B	What is peer-to-peer lending?

___ / 3

ALL ANSWERS ARE INCLUDED IN PAID VERSION...

Listening ANSWERS

2.1 Gap Fill

Complete the origin of crowdfunding. The first letter is already given.

Crowdfunding first began when a UK rock group asked its fans to *donate* to a forthcoming tour and they have continued to rely on *contributions* from the public to produce more music.

___ / 2

ALL ANSWERS ARE INCLUDED IN PAID VERSION...

Crowdfunding: the cause of a radically-changing financial outlook

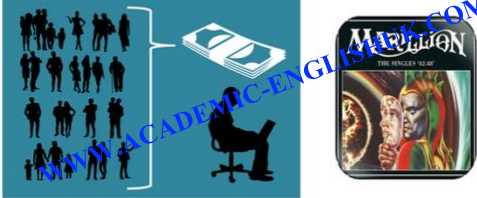







by C. Watts (2022)

Hello and welcome to this short lecture on crowdfunding. Crowdfunding is the practice of raising money from large numbers of people in order to fund a project or business, or support an individual financially via the Internet. The first example of crowdfunding is understood to have taken place in 1997, when the rock group Marillion asked for fans to donate to their upcoming tour, something they have continued to do to produce further albums.

THE FULL TRANSCRIPT IS INCLUDED IN THE PAID VERSION...

Appendix: PowerPoint Slides

Listen to the lecture and take notes using the PPT slides

<p style="text-align: center;">Crowdfunding</p>  <p style="text-align: right;"><small>AE Academic English UK</small></p>	
<p style="text-align: center;">Types of crowdfunding</p>  <p>Three types of crowdfunding</p>  <p>Donations</p> <ul style="list-style-type: none"> • Application process. • Global reach. • Social media. • The UK Crowdfunding Association (2020). • Make change happen. <p style="text-align: right;"><small>AE Academic English UK</small></p>	
<p style="text-align: center;">Reward & equity-based crowdfunding</p>  <p>New businesses</p>  <p>Market entry</p>  <p>Stocks and shares</p> <p style="text-align: right;"><small>AE Academic English UK</small></p>	
<p style="text-align: center;">Donation-based crowdfunding</p>   <p style="text-align: right;"><small>AE Academic English UK</small></p>	