



**The Principles of Money**

**SCQF level 4**

**Unit Code: FC64 04**

**40 hour Unit**

## What is this Unit about?

This Unit focuses on opportunities to explore basic financial encounters. It will help you gain a better understanding of what 'money' is and where it comes from. The Unit will help you to understand sources of income and how to store and access your money. It will help you to understand how to use a budget and understand foreign exchange.

## What should I know or be able to do before I start?

No specific knowledge is required, however it is likely you will have some experience of dealing with money.

## What do I need to do?

**You will need to carry out each of the following tasks:**

### Task 1

Identify money.

- ◆ Identify the main features of coins and banknotes.
- ◆ Describe what is accepted and recognised as money.
- ◆ Identify what makes money legal and acceptable tender.

### Task 2

Identify and describe different forms of income.

- ◆ Describe different ways of earning money.
- ◆ Identify the basic features of payslips.
- ◆ Check and complete payslips.
- ◆ Identify the current minimum wage.
- ◆ Identify some of the benefits and tax credits available for different groups of people and how they may be accessed.

### Task 3

Describe some of the ways to store and access money.

- ◆ Describe different types of personal bank accounts and how banks promote them.
- ◆ List some of the ways you could access your money, eg ATMs, debit cards.
- ◆ Compare the features, facilities and costs associated with debit cards.
- ◆ Describe credit card purchase protection.
- ◆ Identify the costs of credit card protection schemes.

## Task 4

Creating and using a budget and opening a bank account.

- ◆ Identify areas to be considered in a personal budget.
- ◆ Describe features of short term savings schemes and short term financial planning.
- ◆ Describe how to open a personal bank account.

## Task 5

Comparing foreign currencies and using foreign exchange.

- ◆ Describe the features of some foreign currencies.
- ◆ Calculate currency exchange.
- ◆ Compare the costs of foreign exchange.

## How do I achieve this Unit?

You will need evidence to show that you have successfully completed all the Tasks in this Unit. The assessment will be in the form of a test using multiple-choice or multiple-response questions. The assessment will test the knowledge and skills you gained when completing the Tasks.

## What might this involve?

This Unit could be completed in a number of ways. **Examples** of activities:

- ◆ Online research.
- ◆ Collect information leaflets from banks and building societies.
- ◆ Look for examples in the media (newspapers, television).
- ◆ 'Collect material from family and friends.
- ◆ Produce a spreadsheet for budgeting.
- ◆ Produce graphs for comparisons.
- ◆ Complete payslips for case studies.
- ◆ Collect information from currency exchanges and make 'tables of exchange' or a ready reckoner.
- ◆ Create 'comparison tables' to compare benefits and costs of different types of credit and debit cards.
- ◆ Research the current types of benefits available and how people access them.

## What can I do next?

You could think about other Units in Personal Finance such as *Personal Finance: Money Management*. If you have completed this you could consider:

- ◆ the SVQ Providing Financial Service available at level 2 and level 3.
- ◆ Intermediate 2 Skills for Work in Financial Services.
- ◆ the level 6 NPA in Financial Services.

## Guidance for tutors

For this Unit learners are expected to be able to:

- ◆ use numeracy skills and apply these to basic calculations.
- ◆ find out about pay and the 'world of work'.
- ◆ conduct independent research on the topics covered in this Unit.
- ◆ draw conclusions about comparative financial products.

Tutors will provide direct support to learners by offering exemplar material or directing towards possible areas for research, for example learners could be asked to produce a budget for a given person, or to complete a payslip. Tasks should be carefully structured and learners should be guided through some of the calculations required. They may practise an independent approach to further examples or case studies.

Delivery of the Unit should take account of the needs of each learner. The aim should be to develop sound basic knowledge of financial encounters likely to be met on an everyday basis.

## Core Skills

There is no automatic certification of Core Skills or Core Skill components in this Unit.

## Disabled candidates and/or those with additional support needs

The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments, or considering whether any reasonable adjustments may be required.

Further advice can be found in SQA's web pages ([www.sqa.org.uk](http://www.sqa.org.uk)).



## Administrative information

### Credit value

1 credit at (SQA level 4) (6 SCQF credit points at SCQF level 4)

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