

Financial Studies KIT3

This course will help you personally with your own finances over the coming years, as well as getting you a qualification. You have your first external exams in January, so preparation before you start the course in September is going to be very useful.

In the first term you will be learning all about money and various financial products such as current accounts, savings accounts and loans.

Tasks

1. Looking at the following websites will be very useful in your preparation. You should become familiar with the type of products, and their characteristics and features, and understand what help is available for people that get into debt.

Organisation type	Example websites	Key questions
Banks and building societies	http://www.barclays.co.uk/ https://www.firstdirect.com/ https://www.saffronbs.co.uk/ https://www.nationwide.co.uk/	a) What different services do they offer? b) Are there any differences between those offered by banks and those offered by building societies? c) Who do you think are their target customers?
Credit unions	http://www.leedscitycreditunion.co.uk/ http://harlowsave.coop/	a) How do they differ from more the common providers?
Pay Day Loan companies	https://www.quickquid.co.uk/ https://www.satsumaloans.co.uk/	a) What is a pay day loan? b) What is the typical interest rate on a pay day loan? c) Why would you need a pay day loan?
Comparison websites	http://www.moneysupermarket.com/ https://www.confused.com/ https://www.comparethemarket.com/	a) Search for a particular type of product (e.g. car insurance or mortgage). Do all comparison sites agree on the best deal? b) How do you think these sites help consumers?
Financial and debt advice	http://www.moneysavingexpert.com/ https://www.citizensadvice.org.uk/ https://www.moneyadviceservice.org.uk/ https://www.stepchange.org/	a) What services do they offer? b) How are these organisations funded? c) Which do you think is the most useful? Why?

2. See if you can find the meaning of the following banking, payment and debt acronyms:

Watch out, some have other meanings in other subjects.

APR	CHAPS	PAYE	DMP
AER	DR	1250L	DMC
EAR	STO	BACS	IVA
ATM	NI	DRO	NMW

3. Bring the following with you to your first lesson in September:

- Leaflets from banks and building societies covering savings accounts and current accounts, mortgages, investments, etc.
- A Sunday newspaper “Best Buy” financial products table, e.g.:

Lender	Current Rate	Monthly Payment	Fixed Until	Total Fees
	3.54%	£731.76	Dec-2015	£1880
	3.59%	£727.26	Jan-2016	£1672
	3.99%	£759.30	Dec-2015	£499
	3.99%	£767.18	Dec-2015	£1765
	4.05%	£763.46	2 years	£694
	4.10%	£768.06	Sep-2015	£955
	4.19%	£774.41	Jan-2016	£1395
	4.19%	£775.28	Sep-2016	£199
	4.19%	£775.28	Jan-2017	£1254
	4.19%	£775.28	Jan-2017	£598

- A bank statement/payslip (if you have them)

Other activities for the long summer break

- <https://www.bankofengland.co.uk/museum/online-talks>
- https://www.ted.com/playlists/685/how_to_take_charge_of_your_personal_finances

Chat to your parents about their approach to managing their finances – do they save up for holidays or pay for the on credit cards and pay these off later? Chat to people who work in banks about the challenges that the financial sector faces and reasons why people get into unmanageable debt.



Click on the link below to access podcasts on different aspects of personal finances:

<https://www.bbc.co.uk/programmes/p07y8rnk/episodes/guide>