



# Managing own money

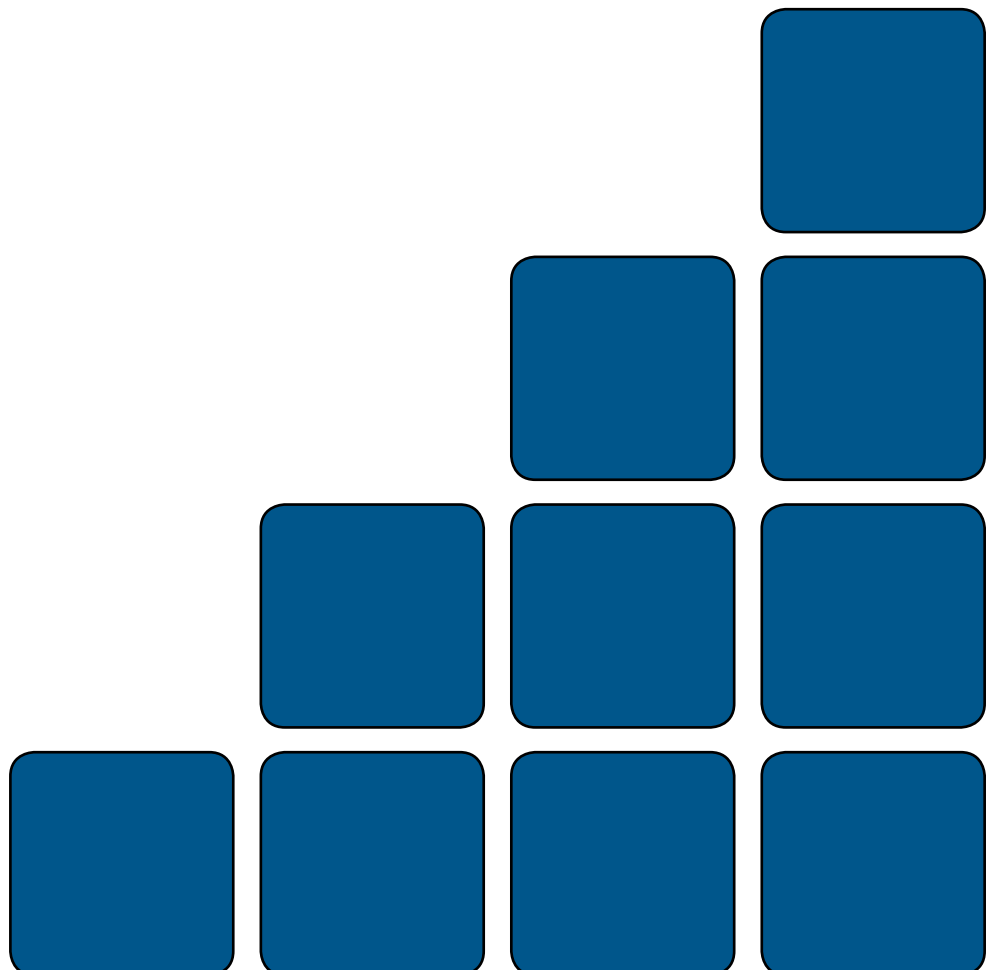
UV10634

R/502/0479

Learner name:

Learner number:

VRQ





# UV10634

## Managing own money

It is the aim of this unit to introduce you to the basic elements of managing your personal finances, encouraging you to prepare a personal budget and to carry out transactions capably.

Level

**1**

Credit value

**2**

GLH

**20**

External paper(s)

**0**



# Managing own money

## Learning outcomes

On completion of this unit you will:

1. Understand how to plan a personal budget
2. Understand how to manage your personal finances
3. Know how to carry out transactions

## Evidence requirements

1. *Outcomes*  
All unit outcomes must be achieved and evidenced in your portfolio of evidence. Evidence may include practical observations (evidence of), witness testimonies/statements, projects, assignments, case studies, reflective accounts, oral/written questioning and/or other forms of evidence.
2. *Tutor/Assessor guidance*  
You will be guided by your tutor/assessor on how to achieve learning outcomes in this unit.
3. *External paper*  
There is no external paper requirement for this unit.



# Outcomes

## Outcome 1

### Understand how to plan a personal budget

| You can:   | Description of evidence | Portfolio reference |
|--|-------------------------|---------------------|
| a. Prepare a personal budget plan which includes key information on income and expenditure |                         |                     |
| b. Use appropriate calculations when preparing the budget plan                             |                         |                     |

Date achieved

Assessor initials

Learner signature



## Outcome 2

### Understand how to manage your personal finances

| You can:  | Description of evidence | Portfolio reference |
|---|-------------------------|---------------------|
| a. Identify relevant financial organisations which can provide information on current accounts, savings and loans |                         |                     |
| b. Identify an account to suit your purpose and say why it is appropriate   |                         |                     |

|                   |  |
|-------------------|--|
| Date achieved     |  |
| Assessor initials |  |
| Learner signature |  |



## Outcome 3

### Know how to carry out transactions

| You can:  | Description of evidence | Portfolio reference |
|---|-------------------------|---------------------|
| a. Identify a range of ways in which purchases can be paid for              |                         |                     |
| b. Carry out two different types of transaction                             |                         |                     |
| c. Use appropriate calculations and checking procedures during transactions |                         |                     |

Date achieved

Assessor initials

Learner signature



# Unit content



This section provides guidance on the recommended knowledge and skills required to enable you to achieve each of the learning outcomes in this unit. Your tutor/assessor will ensure you have the opportunity to cover all of the unit content.

## Outcome 1: Understand how to plan a personal budget

**Income:** Salary or wages, interest from savings, allowance, pocket money, benefits, loans, gifts, inheritance.

**Expenditure:** Accommodation (e.g. mortgage, rent, board and lodging), bills (e.g. council tax, water, gas and electricity, telephone, TV licence), food (e.g. meals at home, lunch at work/college, eating out), clothing, toiletries, transport (e.g. fares, petrol, parking), leisure (e.g. cinema, magazines, gym fees), services (e.g. hairdresser, insurance).

### **Preparing a personal budget**

**plan:** Balance of weekly income and

expenditure, monthly and annual income and expenditure, contingency funds (e.g. emergency, equipment breakdown and replacement), budget spreadsheet (e.g. written, using ICT), appropriate calculations (adding total income and expenditure, subtracting difference between income and expenditure).

## Outcome 2: Understand how to manage your personal finances

**Financial organisations:** Types of organisation (e.g. high street banks, high street building societies, internet banks and building societies, loan companies, post office, insurance companies, financial advisers, Citizens Advice Bureau), purpose and services of organisations.

**Accounts:** Types of account (e.g. bank or building society current account, internet bank account, savings account, Tax free ISA, National Savings account, fixed-rate bonds, pension scheme), identifying suitable accounts and reasons (e.g. amount of personal funds, accessibility of funds, services offered, amount of interest).



## Outcome 3: Know how to carry out transactions

**Paying for purchases:** For example cash, cheque, debit card, credit card, store card, direct debit, online payment, standing order.

**Carrying out transactions:** Select an appropriate type of transaction (e.g. for the purchase amount, for security purposes, to meet requirements of the seller), complete the transaction correctly (e.g. accurately writing and presenting a cheque, securely using a chip and pin debit card).

**Using calculations:** Adding up the total cost of several items, estimating affordability (e.g. competitiveness of price, available personal funds, essential/non-essential item), calculating the amount of change due, calculating overall balance.