

Overview: Managing your money matters



This section will give you a better understanding of how you can manage your money and payments through using an account. It details various payment and transaction options, practical use of a budget account to manage bills and useful information on choosing and opening an account.

You can see a glossary of commonly used terms on our jargon buster www.consumerhelp.ie/jargon-buster



Section 2: Managing your money matters

Student Worksheet 2.1: Why open an account?

Opening an account

Banks, building societies, credit unions and An Post all provide deposit accounts to the public and some have accounts that allow you to make and receive payments.

Exercise A

Your teacher will put you into groups. Each group will find out what types of accounts are available in credit union, An Post, building societies or banks. You can gather this information online or by phone.

Present the results to your classmates.



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Section 2: Managing your money matters

Student Worksheet 2.1: Why open an account?

Exercise B

In your groups list some of the services provided by the institutions.

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

If you have a current account, it is easy to pay bills from it and transfer money to other accounts (for example, you may have a joint account or a savings account as well as your own account). Accounts also help to keep your money safe.

This section will help you show your case study how to make payments and which payment methods to choose. You will learn how a budget account works and how to choose and open a bank account.

Exercise A

Go online at www.consumerhelp.ie to find out about your different payment options, when it is useful to use different payment types and whether you need an account to use them.

Type of payment	When is it useful?	Do you need an account?
Direct debit		
Standing order		
Cheque		
Electronic fund transfer		
Cash		
Lodgements		
Debit card		



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Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Exercise B

Now that you know a few different payment options, can you help your case study to decide how to pay his/her/their bills?

Bill type	Bill amount	Best payment option	Need an account
Debs costs			
Motor insurance			
Motor tax			
HP payments			
TV provider			
Mobile phone			
Food			
Rent			
Savings			
Gas/electricity			
Cinema			

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Bill type	Bill amount	Best payment option	Reason
Going out			
Petrol			
Clothes			
College equipment			
Loans			
TV licence			
Holidays			

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Exercise C

An alternative to using a normal current account is to use a **'budget account'**. Go online to www.consumerhelp.ie and research **'budget account'**. Write down here why having one might help your case study:

This exercise will help you to understand what a 'budget account' is.

A budget account is designed to help you pay your bills all across the year by spreading out the costs. Instead of paying a bill all at once you pay a little bit each month.

In some months, you will have to pay more bills than in other months. Sometimes, depending on the time of year, your bills can be quite big. This means that certain months can be very expensive.

A budget account can help you to plan how to pay for the expensive months by making all the payments even.

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Now that you've done all the tricky work, you can figure out how a budget account can help your case study.

Add up all the monthly totals from the 12-month planner. Divide that amount by 12. What amount do you get? It should be less than your most expensive months. It should also be a bit more than your least expensive months.

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Lodgement to your budget account												

If you open a budget account, you can lodge this amount of money into your account every month. The account will then pay bills like your electricity and your gas. It doesn't matter if your lodgement isn't as big as your monthly bills. This is because when you add up the whole year of lodgements, they add up to the same amount that your bills cost.

This is how the budget account can spread out your bills and help you pay all your bills even when you have an expensive month.

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Exercise E

Fill out the direct debit/standing order forms for your case study to help them pay one of their bills.

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Direct Debit Mandate

Name:

Address:

Home Telephone No:

E-mail Address:

Method of payment:

fortnightly

monthly

Account holder's Name:

Bank/building Society account details:

To the Manager:

Branch address:

Branch Code:

Bank/building Society Account number:

Your Instruction to your Bank, and your signature:

- I instruct you to pay Direct Debits from my account at the request of
- I confirm that the amounts to be debited are variable and may be debited on various dates
- I shall notify the Bank in writing if I wish to cancel this instructions

Signature:

Date:

Section 2: Managing your money matters

Student Worksheet 2.2: Why open a current account?

Standing Order Mandate

Please complete this form and send to your bank/building society

To the Manager:

Branch address:

Please Pay:

Sorting Code:

Account number:

Starting date: //

And each week / month / quarter until further notice from my account.

Account Name:

Sorting Code:

Account number:

Account Holder's Authority

– I/We authorise (bank/building society) to pay this outstanding order and to debit my/our account with the sums stated along with the addition of such charges as may be applied by the bank/building society from time to time for Standing Orders

Authorised Signature(s):

Date:

Section 2: Managing your money matters

Student Worksheet 2.3: Choosing an account

Now you know why it might be useful for you to use an account.

Exercise A

Take a look on our website www.consumerhelp.ie at the information on choosing current accounts. You will find information about post office accounts on the website, www.statesavings.ie. For information on credit union accounts, contact your local credit union or check online to see if they have a website.

Institution	Access*	Services/facilities	Charges	Interest rate
Bank				
Building society				
An Post				
Credit union				

*Consider if there's a branch close by, early and late opening hours and comprehensive telephone and internet banking service



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Section 2: Managing your money matters

Student Worksheet 2.3: Choosing an account

Exercise B

In the spaces below decide which type of institution your case study should choose and why:

..... would open their account in the because:

Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

To store money safely and to help pay bills most people open an account. There is a lot of information needed to open an account, but the process is straightforward.

Exercise A

Try and answer the following questions over the next three pages by researching online, over the phone or in person:

Questions	Answers
What information do I need to give you to open an account? <ul style="list-style-type: none">• A filled in application form?• Proof of address, such as an electricity bill?• A form of identity, such as a passport, driving licence and so on?	
Ask if young people need to bring in other documents to open an account? <ul style="list-style-type: none">• If so – what are they?	
Are there any special rules or conditions to open an account?	
Must I live nearby?	



Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

Questions	Answers
Must I be over a certain age?	
Do my parents need to sign the application form?	
Do I need to bring a parent with me to open an account?	
Are there any other conditions? • If so – what are they?	
How much money do I need to open an account?	
What types of accounts do you have? • Deposit accounts • Current accounts (with an overdraft and cheque book)?	
What will I receive from you when I open an account? • Passbook? • ATM card? • PIN number? • A chequebook? Do I have to apply for this?	
How do I lodge cash or cheques to my account?	
Do I need to fill a form in or can I use my ATM card?	
Do you have a quick-lodge machine if I don't have time to queue? • If so – how do I use it?	
If I lodge a cheque, how long does it take before I can use that money/how long does it take for the cheque to clear?	
How do I withdraw money? • Do I need to bring proof of identity?	

Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

Questions	Answers
Can I take out cash or withdraw my savings by cheque or draft?	
Do you have an ATM?	
Do you offer phone banking or an online service for checking balances and transferring money?	
Can I set up a direct debit on my account?	
How do I withdraw money?	
How do I get foreign currency for going on holiday?	
Do I need to bring proof of identity to buy foreign currency?	
What are the costs?	

Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

Exercise B

To open an account you need to bring documents to prove your identity. What do you think are good examples?

	Documentation you need to open an account	

Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

Application / Declaration

To: The Bank

1. Please open a current account in my/our names under the Bank's terms and conditions, a copy of which has been / will be provided.
2. I/We apply for an Debit Card with POS and ATM services and Personal Identification Number (PIN) under the Bank's Terms and Conditions which will be sent to me/us with the Card. (Indicate with a ✓, if required)
3. I/We certify the accuracy of the information given and I/we agree the Bank may make such enquiries about me/us as it considers necessary in relation to this application.
4. I/We apply to the Bank to activate Phone & Internet Banking as required. (Indicate with a ✓, if required)

Customer signature: / / Date (Day/Month/Year)

Customer signature: / / Date (Day/Month/Year)

You will need to have proof of identity and proof of address to open a bank account. Check with your bank what types of identification and proof of address that they will accept.

Section 2: Managing your money matters

Student Worksheet 2.4: Opening an account

Exercise D

Discuss with your classmates how easy or hard it was to fill out the application form.