

Overview: Managing your money matters



This section is going to give your students a better understanding of how they can manage their money and payments through using their 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 at www.ccpic.ie/consumers/money/jargon-buster



Coimisiún um
Iomaíocht agus
Cosaint Tomhaltóirí

Competition and
Consumer Protection
Commission

Section 2

Managing your money matters

Student activities	Description	Lesson plan	Support Material/ References	Learning Outcomes
WS 2.1 Why open an account?	This will help your students understand different kind of accounts available in different institutions.	<ol style="list-style-type: none">1 Divide the classroom into groups. Ask each group to research what type of accounts are available in Credit unions, Building societies, An Post or banks.2 One student from each group will present findings to the class.3 Ask each group to make a list of services provided in one of the institutions.4 All this information can be gathered on line or by phone.	Opening an account www.anpost.ie www.creditunion.ie	Unit 3, LOs 1+3

Section 2

Managing your money matters (continued)

Student activities	Description	Lesson plan	Support Material/ References	Learning Outcomes
WS 2.2 Why open a current account?	This will help your students to understand different kind of payment features that are contained in current accounts.	<ol style="list-style-type: none">1 Your students should refresh their memories by re-reading their case studies in their groups.2 Your students should go online to www.ccpic.ie to examine current accounts using our current account cost comparisons.3 Then ask them to research how each of the payment methods mentioned in the worksheet work.4 One student from each group should explain a type of payment to the class.5 Ask your students to fill out the tables in the worksheet – the first table is general information, the second worksheet shows the student how to apply their information to their case studies. (Exercise A and B)6 Your students will research how budget accounts work. Lead a class discussion on why they are useful. Then get your students to fill out the two annual budget tables. The second budget table demonstrates how a budget account works. (Exercise C and D)7 Ask your students to fill out the direct debit/standing order forms for their case study to help them pay one of their bills.	Banking section on ccpc.ie	Unit 2, LO4
WS 2.3 Choosing an account	This will show your students how different accounts work and which ones are suitable for their needs.	<ol style="list-style-type: none">1 Your students should look at the link provided on the worksheet to do research on accounts.2 Ask your students to go online and compare a range of accounts available locally and compare their results by filling out the sheet (they do not need to fill out all four		Unit 3, LOs 1+4

Section 2

Managing your money matters (continued)

Student activities	Description	Lesson plan	Support Material/	Learning
WS 2.3 Choosing an account	This will show your students how different accounts work and which ones are suitable for their needs.	<p>institutions on the worksheet but at least two should be filled out. If students cannot get access to any points of information, you can provide the information to them).</p> <ol style="list-style-type: none">3 They can then decide which institution can provide the best option for their case study with regard to their needs.4 Lead the class in a discussion as to the advantages and disadvantages of opening an account. Use the answers provided as prompts for class discussion.		Unit 3, LOs 1+4
WS 2.4 Opening an account	Students can explore the advantages and disadvantages of having an account and investigate opening one	<ol style="list-style-type: none">1 In groups ask your students to go through the in-depth question before deciding whether to open an account.2 Your students can work as groups to discover what advantages there are for their characters to open accounts.3 Your students should research online what documents their case studies may need to prove identity and address if opening an account. This research can be recorded on the sheet.4 Ask your students to fill out the accompanying 'current account application' form for their case study. Then discuss with the class whether or not the form was easy to fill out. The sample example form provided is for a bank current account. Advise your students that there are different types of accounts but forms are similar.5 Discuss with students the other types of forms they may have to fill out while using an account.	<u>Opening an account</u>	Unit 3, LOs 3-7

Teachers notes – worksheet solutions

Managing your money matters(continued)

Why open an account? – worksheet 2.1

- 1 Divide the classroom into groups. Ask each group to research what type of accounts are available in Credit unions, Building societies, An Post or banks.
- 2 One student from each group will present findings to the class.
- 3 Ask each group to make a list of services provided in one of the institutions.
- 4 All this information can be gathered on line or by phone.

Exercise A:

Accounts available – Students responses can include the following:

Bank	Credit union	An Post	Building Society
Current accounts	Budget accounts	Deposit accounts	Fixed term accounts
Student accounts	Regular savings accounts	Pension save accounts	Regular savings accounts
Joint accounts	Share accounts		Share accounts
Deposit accounts	Deposit accounts	State saving accounts	Deposit accounts

Exercise B:

Services provided by the institutions – Students responses may include some of the following:

Bank	Credit union	An Post	Building Society
Online banking	Savings	Savings (state)	Savings a/c
Foreign Exchange	Loans	Investment a/c	Investment a/c
Mortgages		Money transfer	Mortgages
Credit Cards		Insurance	Insurance
Loans			Credit card
Savings a/c			Debit card
Investment a/c			ATM
Debit/laser card			
ATM			

Teachers notes – worksheet solutions

Managing your money matters

Why open a current account? – worksheet 2.2

- 1 Ask your students to refresh their memories by re-reading their case studies in their groups.
- 2 Your students should go online to www.ccpc.ie to look at our current account cost comparisons.
- 3 Then ask them to research how each of the payments methods mentioned in the worksheet work.
- 4 One student from each group should explain a type of payment to the class.
- 5 Ask your students to fill out the tables in the worksheet – the first table is general information, the second worksheet shows the student how to apply their information to their case studies (Exercise A and B).
- 6 Your students will research how budget accounts work. Lead a class discussion on why they are useful. Then get your students to fill out the two annual budget tables. The second budget table demonstrates how a budget account works (Exercise C and D).
- 7 Your students should fill out the mock bank forms for their case study

Exercise A:

Type of payment	When is it useful?	Do you need an account?
Direct debit	This is where you give a third party written permission to take or debit money from your account directly. People often pay their bills this way. You may, for instance, give the ESB permission to withdraw different amounts of money each month to pay your electricity bill. To stop a direct debit contact the third-party supplier, in this case the ESB, and your bank to let them know you want to cancel the direct debit and that no more money should be taken from your account.	Yes
Standing order	This is an instruction or order you give to your bank to make regular payments out of your account to another account. Unlike a direct debit, you instruct your bank directly about how much is to be paid and the amount is fixed and can only be changed by you.	Yes
Cheque	A cheque is a written instruction to your bank to pay an amount of money from your account to the person or company you have made the cheque out to.	Yes
Electronic fund transfer	This can provide a secure method of payment for many bills or to simply transfer cash between accounts.	Yes
Cash	Cash is a straightforward and convenient way of making payments, however, increasingly, companies are encouraging payments to be made through bank accounts, rather than in cash.	No
Debit card	Debit cards allow you to pay for goods and services without taking out cash. The money comes out of your current account directly, although it may take a few days for your purchase to appear on your statement. You can also use your debit card to get 'cashback' from some retailers – this is where you pay for your goods but also ask for an amount of cash to be added to the cost of the transaction. It can be convenient if you do not want to go to an ATM, or there is no ATM nearby.	Yes

Teachers notes – worksheet solutions

Managing your money matters

Sean's solutions

Exercise B

Bill type	Bill amount	Best payment option	Need an account?
Debs costs	€510	Debit card/cash	Yes/no
Motor insurance			
Motor tax			
HP payments			
TV provider			
Mobile phone	€15	Cash/debit card	No/yes
Food	€45	Cash/debit card	No/yes
Rent	€400	Cash/direct debit/ standing order	No/yes/yes
Savings			
Gas/Electricity			
Cinema	€20	Cash/debit card	No/yes
Going out	€90	Cash/debit card	No/yes
Petrol			
Clothes			
College equipment			
Loans			
TV licence			
Holidays	€150	Cash	No

Exercise C

Sean has few outgoings and probably wouldn't need a budget account. His only regular payment will be rent once a month while in college.

Exercise D

Your students should do some research into the expenses that are outlined in the budget account table. How much do they cost? Your students should fill out those across the year. Make sure they consider that some expenses are higher at different times of the year. They can guess how much their case studies spend on each of these expenses. There are no right or wrong answers in this exercise. The point of the exercise is to show how to spread these expenses across the year. It might be helpful for your students to work in groups. You may need to help some students to calculate their annual spending and ensure it is consistent across the two tables.

Exercise E

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

Mary's solutions

Exercise B

Bill type	Bill amount	Best payment option	Need an account?
Debs costs			
Motor insurance	€500	Direct debit/debit card	Yes
Motor tax	€310	Debit card/direct debit	Yes
HP payments			
TV provider			
Mobile phone			
Food			
Rent	€50	Cash/standing order to parents account	No/yes
Savings			
Gas/Electricity			
Cinema			
Going out			
Petrol	€50	Cash/debit card	No/yes
Clothes			
College equipment			
Loans			
TV licence			

Exercise C

A budget account could help Mary to spread out her bills across the year, especially when her child starts school she will have more expenses, like school books, uniforms, etc.

Exercise D

Your students should do some research into the expenses that are outlined in the budget account table. How much do they cost? Your students should fill out those across the year. Make sure they consider that some expenses are higher at different times of the year. They can guess how much their case studies spend on each of these expenses. There are no right or wrong answers in this exercise. The point of the exercise is to show how to spread these expenses across the year. It might be helpful for your students to work in groups. You may need to help some students to calculate their annual spending and ensure it is consistent across the two tables.

Exercise E

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

John's solutions

Exercise B

Bill type	Bill amount	Best payment option	Need an account?
Debs costs			
Motor insurance	€900	Direct debit/debit card	Yes
Motor tax	€600	Debit card/direct debit	Yes
HP payments			
TV provider			
Mobile phone			
Food	€50	Cash/debit card	No/yes
Rent	€40	Cash/standing order to brothers account	No/yes
Savings			
Gas/Electricity			
Cinema			
Going out	Varies	Cash	No
Petrol	€40	Cash	No
Clothes			
College equipment			
Loans			
TV licence			

Exercise C

John has few outgoings and probably wouldn't need a budget account. However, when he moves to Australia, unless he improves his budgeting skills, he may need a budget account to pay all his new expenses across the year.

Exercise D

Your students should do some research into the expenses that are outlined in the budget account table. How much do they cost? Your students should fill out those across the year. Make sure they consider that some expenses are higher at different times of the year. They can guess how much their case studies spend on each of these expenses. There are no right or wrong answers in this exercise. The point of the exercise is to show how to spread these expenses across the year. It might be helpful for your students to work in groups. You may need to help some students to calculate their annual spending and ensure it is consistent across the two tables.

Exercise E

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

Sarah's solutions

Exercise B

Bill type	Bill amount	Best payment option	Need an account?
Debs costs			
Motor insurance	€425	Direct debit/debit card	Yes
Motor tax	€310	Debit card/direct debit	Yes
HP payments			
TV provider			
Mobile phone			
Food			
Rent	€300	Standing order/cash	Yes/no
Savings			
Gas/Electricity	€250	Direct debit	Yes
Cinema			
Going out	€50	Cash	No
Petrol	€20	Cash/debit card	No/yes
Clothes			
College equipment	€200	Debit card/cash	Yes/no
Loan interest*	€68 (yr 1)	Standing order	Yes
TV licence			

Teacher to note: If Sarah has a loan of €3,900, although she doesn't repay the loan until the end of college, she will be paying interest every month, this needs to be included in her expenses. Each year Sarah interest payment increases as she draws down more. Year 1 interest repayment of €68, Year 2 interest repayment of €137 and Year 3 interest repayment of €205.

Exercise C

As Sarah is relatively good at managing her money, she might not need a budget account but should consider it in the future.

Exercise D

Your students should do some research into the expenses that are outlined in the budget account table. How much do they cost? Your students should fill out those across the year. Make sure they consider that some expenses are higher at different times of the year. They can guess how much their case studies spend on each of these expenses. There are no right or wrong answers in this exercise. The point of the exercise is to show how to spread these expenses across the year. It might be helpful for your students to work in groups. You may need to help some students to calculate their annual spending and ensure it is consistent across the two tables.

Exercise E

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

Michael and Rachel's solutions

Exercise B

Bill type	Bill amount	Best payment option	Need an account?
Debs costs			
Motor insurance	€1,500	Direct debit/debit card	Yes
Motor tax	€650	Debit card/direct debit	Yes
HP Payments	€161	Direct debit	Yes
TV provider	€23	Direct debit	Yes
Mobile phone	€40	Debit card/cash	Yes/no
Food			
Rent	€700	Standing order	Yes
Savings			
Gas/Electricity	€40	Direct debit	Yes
Cinema			
Going out			
Petrol	€70	Cash/debit card	No/yes
Clothes			
College equipment			
Loans			
TV licence	€13.33	Direct debit/debit card/ cash	Yes/yes/no

Exercise C

This account could help even out Michael and Rachel's bills during the period of time that they will be saving hard.

Exercise D

Your students should do some research into the expenses that are outlined in the budget account table. How much do they cost? Your students should fill out those across the year. Make sure they consider that some expenses are higher at different times of the year. They can guess how much their case studies spend on each of these expenses. There are no right or wrong answers in this exercise. The point of the exercise is to show how to spread these expenses across the year. It might be helpful for your students to work in groups. You may need to help some students to calculate their annual spending and ensure it is consistent across the two tables.

Exercise E

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

Teachers notes – worksheet solutions

Managing your money matters

Choosing an account – worksheet 2.3

1 Your students should look at the link provided on the worksheet
www.ccpic.ie/consumers/money/banking/current-accounts

to do research on accounts.

2 Ask your students to go online and compare a range of accounts available

locally and compare their results by filling out the sheet (they do not need to fill out all four institutions on the worksheet but at least two should be filled out. If students cannot get access to any points of information, you can prompt the information to them).

3 They can then decide which institution can provide the best option for their case study with regard to their needs.

4 Lead the class in a discussion as to the advantages and disadvantages of opening an account. The solutions provided below are not comprehensive – students should feel free to use their imagination in this first exercise. Use these answers as prompts for class discussion.

Exercise A

In this exercise, there may not be a right or wrong answer. Get your students to discuss why their case study might prefer one institution over another. Make sure each student knows that many of the same advantages are available in each institution.

Ensure they consider the following points in their comparisons:

1 Access – including:

- Convenience of location and opening hours.
- Internet and phone access.
- Cards provided with the account.
- Can money be withdrawn immediately or does notice have to be given, e.g. 1 month.

2 Services/facilities – including:

- Telephone banking, internet, branch facilities, ATM machines, frequency of statements, etc.
- Overdraft facilities, paying for things abroad, debit card, transferring money to another account, receive payments such as salary, direct debit/standing order facilities, etc.

3 Charges – including:

- Any costs for the services you expect to use – maintenance charges, charges per transaction, service charges.
- Penalties charged if you do not keep enough money in your account to meet your payments, i.e. charges if the bank bounces a payment.

4 Interest rate – including details of:

- The interest earned on credit balances in your account.
- The interest charged on facilities such as overdrafts.

Note: Students can use the information at www.consumerhelp.ie/currentaccounts to complete the exercise. For further information, students can phone the institutions or look at the institutions' websites.

Students can contact their local credit union and post office for rates and information on their different accounts.

Exercise B

Your students will have different answers for this table. There is no black and white answer to this, however, you should ensure that your students give realistic answers that are closely based on the case studies that they have been given. Given that each of the case studies may need a source of credit in the future, they might consider opening a credit union account, due to their provision of loans to savers. However, your students should also consider the fact that banks allow online banking, which can facilitate payments, and provide ATMs, which allows access to cash. Not all credit unions provide these last two facilities.

Advantages and disadvantages to opening any account:

Advantages	Disadvantages
<p>Responses can include any of the following:</p> <ul style="list-style-type: none">– Safety/security– Convenience– Interest earned on money in the account– Receive payments such as your salary, social welfare or pension income– Get cash using ATM card– Pay for things using your debit card– Pay bills in your branch or by direct debit or standing order– Transferring money to another account– Internet / phone banking– Overdraft facility– Paying for things abroad– Less temptation to spend all your money if its in the bank and not in your wallet– Relationship with institution	<p>Responses can include any of the following:</p> <ul style="list-style-type: none">– Not always accessible – eg bank opening hours, location of branch– Monthly charges and fees– Penalties– Stamp duty on cards and cheques– Not knowing how much you have in your account– Minimum balance requirements– Other fees and charges, e.g. stop payment fees, charges for additional statements and ATM charges

Teachers notes – worksheet solutions

Managing your money matters

Opening an account – worksheet 2.4

- 1 In groups your students can go through the in-depth questions they can ask to decide whether to open an account (provided in worksheet 2.3).
- 2 Your students can work as groups to discover what advantages there are for their case studies to open accounts.

Exercise A

Your students should research online the answers to as many of the questions on their worksheet as possible. The banking section of ccpc.ie will assist them:

Exercise B

Documentation you need to open an account.

Ask your students to research online what documents their case studies may need to prove identity and address if opening an account. This research can be recorded on the sheet.

Responses can include any of the following:

- a valid passport
- a current Irish driving licence
- a National Age Card (issued by An Garda Siochana)
- an identification form with a photograph signed by a member of An Garda Siochana
- documents issued by Government departments showing your name
- a current utility bill (such as a gas, electricity, telephone or mobile phone bill)
- a current car or home insurance policy that shows your address
- a document issued by a Government department that shows your address
- a list of your tax credits issued by Revenue

- a current balancing statement or a C2 certificate from the Revenue Commissioners
- a social insurance document that shows your address
- a letter from your employer or licensed employment agency stating that you have recently arrived in Ireland and have started work but cannot yet provide evidence of your Irish address (you will have to provide evidence of your address at a later date).

NB: Not all these documents are required – they are simply options for a customer to prove their identity and home address.

Exercise C

Have your students fill out the accompanying 'current account application' form for their case study. The sample example form provided is for a bank current account. Advise your students that there are different types of accounts but forms are similar.

Exercise D

Lead your students in a class discussion on whether or not the form was easy to fill out.