

# **LIBF Level 1 / Level 2 Lessons in Financial Education Certificate (LiFC)**

Qualification Specification



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## Purpose of the qualification

### Why study the LIBF Lessons in Financial Education Certificate (LiFC)?

The LIBF Level 1 / Level 2 Lessons in Financial Education Certificate (LiFC) is an accessible e-learning programme which will allow you to experience financial education on a 'learning by doing' basis. The programme is intended to be supported by teachers in delivery albeit with you working through the programme on your own. You will be able to use tutor time, after-school clubs, community centres and a host of enrichment opportunities to access the learning.

By studying the LiFC, you will engage with finance-specific knowledge and understanding by relating it directly to your own personal financial decision-making. You will also be provided with an insight into a range of career opportunities, within the financial services industry and other industries, and how to apply for a job.

The LiFC provides you with the opportunity to formally assess your knowledge and understanding gained from completing Unit 2 and Unit 3 of the LiFE Programme if you have successfully gained the LIBF Level 1 Lessons in Financial Education Award (LiFA). If you have not already studied and passed the LiFA, you have the opportunity to complete and formally assess your knowledge across Unit 1, Unit 2 and Unit 3. The LiFC is registered as a Level 1 / Level 2 qualification, which aims to recognise learner achievement across the qualification.

### Objective

The LiFC will give you a good understanding of money and finance and will provide valuable insight into a range of career opportunities within the financial services sector, while giving guidance on methods for enhancing your employability skills.

### Topic content

Unit 1 – Your Personal Finances

Topic Number	Topic Title
1a	What is money?
1b	What is income?
1c	How do we calculate income?
2	Sources of money
3a	Where can we store money?

3b	How do bank accounts work?
4a	What is spending?
4b	What is budgeting?
5a	How can we save money?
5b	What is selling?
6a	What is borrowing?
6b	How do we borrow sensibly?
7	What is insurance?
8	How do we keep our money safe?

### Unit 2 – Money Management For Your Generation

Topic Number	Topic Title
1	Modern banking
2	Pay and pay calculations
3	Different types of payment card
4a	Borrowing basics and costs
4b	Borrowing types and legal issues
5	Using money abroad
6	Financial difficulties and their consequences
7	Financial advice and protection

### Unit 3 – Your Future, Your Career

Topic Number	Topic Title
1	Employability: applying for a job
2	Roles and career paths
3	The financial services industry
4	Routes into financial careers and other industries

This qualification equips you with the knowledge to cope confidently and effectively with basic financial encounters you are likely to meet. You will develop knowledge and understanding of spending and how to become competent at managing your own money. You will also explore various careers within the financial services industry.

## Learning outcomes

### Unit 1 – Your Personal Finances

LO Number	Learning Outcome
LO1	Understand the principles of money
LO2	Understand how to manage money
LO3	Understand the ways of keeping money safe

### Unit 2 – Money Management For Your Generation

LO Number	Learning Outcome
LO1	Understand the key methods of managing money
LO2	Understand the sources of pay
LO3	Understand the key methods of making payments
LO4	Understand the cost of borrowing
LO5	Understand how to use money abroad
LO6	Know how to make decisions about personal finance and understand their consequences
LO7	Know where to go for different types of financial advice

### Unit 3 – Your Future, Your Career

LO Number	Learning Outcome
LO1	Understand the financial services industry
LO2	Understand ways of considering and preparing for careers in financial services and other industries

## Key skills

The qualification will encourage you to:

- develop an understanding of the key content areas and how they relate to each other;
- use appropriate tools to manage a personal budget;
- make informed financial decisions;
- demonstrate numeracy skills, including the ability to manipulate financial and other numerical data;

- communicate basic financial concepts;
- increase your ability to learn independently;
- develop an understanding of the financial services industry;
- develop an understanding of how to prepare for a career in financial services.

The flexibility of access to the LiFC will also enable wider distribution to more vulnerable groups, including school refusers, children and adults with Special Educational Needs and Disability (SEND), sixth-form students and the wider school community including adults.

### **Entry requirements**

There are no entry requirements for this qualification.

You are expected to be able to study in English and have basic IT and numeracy skills (manipulate financial and numerical data).

### **Recognition of prior learning**

If you have successfully passed the LIBF Level 1 Lessons in Financial Education Award (LiFA) you will have already completed Unit 1 of this qualification.

### **Progression and preparation for further study**

By taking this qualification, you will develop the knowledge and understanding of personal finance that will support your progression on to more advanced studies in finance-related fields. This qualification provides a solid foundation in concepts related to personal finance, budgeting and money management, which are a firm basis for further study in many areas related to the financial sector such as Level 2 and 3 qualifications in business, accounting and finance. The transferable skills developed are also valuable for further study in unrelated disciplines.

### **Apprenticeships**

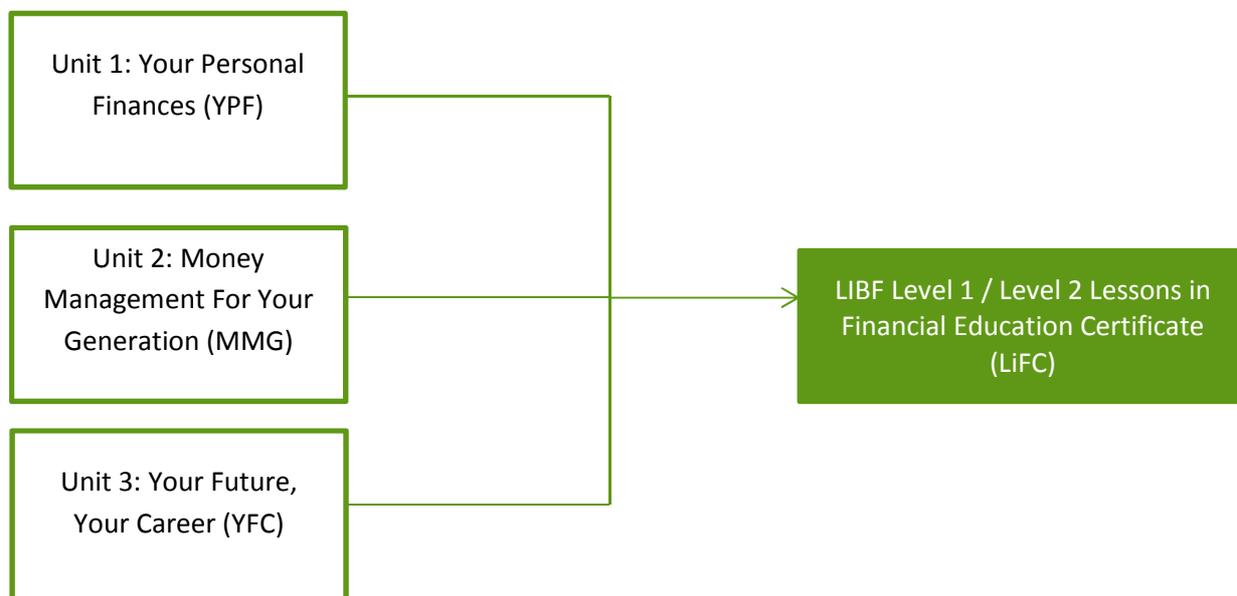
The LiFC is not available for study through an apprenticeship standard.

### **Preparation for employment**

This qualification provides you with the initial basic understanding and skills that are valued in most organisations and job roles, particularly the financial services sector, and that are especially valuable in terms of self-employment, but it does not qualify you for direct entry to a particular occupational role.

## Structure

The LiFC is made up of **three mandatory units** which need to be successfully passed in order to achieve the Certificate.



The detailed unit profiles are available at Appendix 3, 4 and 5 to this document and latest versions are always available through our [website](#).

## Total Qualification Time (TQT)

The LiFC is primarily considered as a taught qualification with planned examination sessions.

Guided Learning Hours	94 hours
Other hours	87 hours
Total Qualification Time	181 hours

Total Qualification Time (TQT) is a prediction of the total time the typical learner may need to complete the course. TQT consists of two elements, Guided Learning Hours (GLH) and all other hours:

- GLH is time spent studying under the immediate guidance or supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, completing homework, exam preparation, and formal assessments.

## Learning resources

The LiFC will be offered as an e-learning programme. Each topic will provide you with a number of activities to test your knowledge and understanding. The content of each topic will be supported by links to websites that will provide additional information for a number of areas within the programme. For each topic, you will complete the following:

- a survey relating to what you know about the topic content before progressing through the topic
- topic and related resources and activities
- an activity to check your understanding
- an end-of-topic quiz comprised of up to ten questions
- a survey relating to what you know now about the topic content following completion of your learning journey

Topic handouts will be provided for each unit. A teacher guide will also be provided to support Unit 3 containing ideas for additional activities that can be used in an alternative classroom setting.

## What to do before the assessment

You must be registered to sit the exam session. Your exams administrator will typically arrange your exam sitting for you.

To prepare for the assessment, you will have worked through all topics and related activities. You have the opportunity to work back through any area or topic, in any sequence on the course site in order to revise and prepare for the assessment.

## Assessment

You need to have completed the LiFE Programme in order to undertake the LiFC assessment. The LiFC is assessed via the following method using e-test:

- Unit 1: 30 standalone multiple-choice questions (total marks 30), to be completed in 30 minutes
- Unit 2: 44 standalone multiple-choice questions (total marks 44), to be completed in 45 minutes
- Unit 3: 16 standalone multiple-choice questions and 2 case studies each with 5 associated questions (total marks 26), to be completed in 30 minutes

For the multiple-choice assessment for Units 1 and 2, each item will require you to choose the correct answer from a choice of four possible answers.

For the multiple-choice assessment for Unit 3, the standalone multiple-choice questions will require you to choose the correct answer from a choice of four possible answers. There will also be two case studies, each with five associated questions, which will be a combination of true and false questions and questions that will require you to choose the correct answer from a choice of four possible answers.

The structure of the assessment ensures that all of the course content is subject to external examination. No teacher-set or teacher-marked tasks or assignments will contribute to your marks and all assessment will be under strict examination conditions.

### Qualification grading

For the overall qualification, students can be graded as pass/fail at Level 1 or Level 2. The flexible grading approach allows assessment of learners who are at different levels of skill in an overall area, so we have included the opportunity for learners to gain a Level 1 qualification. The qualification grade is calculated on the total number of marks achieved across all three units.

There are 100 marks available across the qualification. To achieve a Level 1 pass, you must pass each unit and gain, in total, 40 – 49 marks, out of 100. If you do not reach the minimum standard for a Level 1 grade to be awarded, you will receive a fail and will not be certificated, however you will receive a Certificate of Completion as evidence of your participation. To achieve a Level 2 pass, you must pass each unit and gain, in total, a minimum of 50 marks out of 100.

#### Unit 1 – Your Personal Finances

For Unit 1, students will be graded as pass/fail. This unit is already available for registration, as the LIBF Level 1 Lessons in Financial Education Award (LiFA).

The overall grade bands (out of a total of 30 marks) are as follows:

Grade	Grade bands (raw mark)
Fail	0 – 14
Pass	15 – 30

## Unit 2 – Money Management For Your Generation

For Unit 2, students will be graded as pass/fail.

The overall grade bands (out of a total of 44 marks) are as follows:

<b>Grade</b>	<b>Grade bands (raw mark)</b>
Fail	0 – 14
Pass	15 – 44

## Unit 3 – Your Future, Your Career

For Unit 3, students will be graded as pass/fail.

The overall grade bands (out of a total of 26 marks) are as follows:

<b>Grade</b>	<b>Grade bands (raw mark)</b>
Fail	0 – 9
Pass	10 – 26

You will be provided with a feedback analysis sheet via MyLIBF, once you have sat the exam. The analysis sheet details the percentage of questions answered correctly across the learning outcomes, as well as the syllabus areas with questions answered incorrectly, to help with further revision.

### **Resit attempts**

You are allowed to register for two resit attempts per unit in accordance with the published qualification terms and conditions. You and your teachers should be aware that the resit opportunities will contain different questions as appropriate. The result that gives you the highest mark is used.

Full terms and conditions are available on our [website](#).

## Appendices

### Appendix 1 – Regulation detail

This document describes the regulation detail that is applicable to the qualification.

<b>Qualification title</b>	LIBF Level 1 / Level 2 Lessons in Financial Education Certificate (LiFC)
<b>Ofqual qualification number</b>	603/1933/1
<b>Qualification level</b>	1 / 2
<b>European Qualifications Framework (EQF) level</b>	2 / 3
<b>Guided learning hours</b>	94 hours
<b>Total qualification time</b>	181 hours
<b>Total credits</b>	18
<b>Sector Subject Area</b>	14.1 Foundations for Learning and Life
<b>Overall grading type</b>	Pass / Fail
<b>Assessment methods</b>	Multiple-choice examination
<b>Offered in</b>	England, Wales, Northern Ireland
<b>Qualification for ages</b>	14 – 16; 16+
<b>Operational start date</b>	4 September 2017
<b>Qualification description</b>	The LiFC consists of three mandatory units. A total credit value of 18 credits must be obtained for achievement of the qualification.

## Appendix 2 – Qualification weighting detail

This document describes the different weighting for units in terms of the specific unit level descriptors.

The table below details the assessment criteria that fall into the Regulated Qualifications Framework (RQF) Level descriptors.

### KS for Assessment

Unit assessment criteria testing key skills:

Assessment criteria testing key skills:Criteria	Unit 1
<p><b>Level 1 Knowledge descriptor</b></p> <p>The holder:</p> <ul style="list-style-type: none"> <li>has basic factual knowledge of a subject and/or knowledge of facts, procedures and ideas to complete well-defined routine tasks and address simple problems</li> <li>is aware of aspects of information relevant to the area of study or work</li> </ul>	<p>1.1</p> <p>1.2</p> <p>1.3</p> <p>1.4</p> <p>1.5</p> <p>2.1</p> <p>2.2</p> <p>2.3</p> <p>2.4</p> <p>2.5</p> <p>2.6</p> <p>3.1</p> <p>3.2</p>
<p><b>Level 1 Skills descriptor</b></p> <p>The holder can:</p> <ul style="list-style-type: none"> <li>use basic cognitive and practical skills to complete well-defined routine tasks and procedures</li> <li>select and use relevant information.</li> <li>identify whether actions have been effective</li> </ul>	<p>1.2</p>

Assessment criteria testing key skills:Criteria	Unit 2	Unit 3
<p><b>Level 1</b></p> <p><b>Knowledge descriptor</b></p> <p>The holder:</p> <ul style="list-style-type: none"> <li>has basic factual knowledge of a subject and/or knowledge of facts, procedures and ideas to complete well-defined routine tasks and address simple problems is aware of aspects of information relevant to the area of study or work</li> </ul>	<p>1.1</p> <p>1.2</p> <p>2.1</p> <p>3.1</p> <p>3.2</p> <p>4.1</p> <p>4.2</p> <p>5.1</p> <p>5.2</p> <p>6.1</p> <p>7.1</p>	<p>1.1</p> <p>2.1</p> <p>2.2</p>
<p><b>Level 2</b></p> <p><b>Knowledge descriptor</b></p> <p>The holder:</p> <ul style="list-style-type: none"> <li>has knowledge and understanding of facts, procedures and ideas in an area of study or field of work to complete well-defined tasks and address straightforward problems</li> <li>can interpret relevant information and ideas</li> <li>is aware of a range of information that is relevant to the area of study or work</li> </ul>		
<p><b>Level 1</b></p> <p><b>Skills descriptor</b></p> <p>The holder can:</p> <ul style="list-style-type: none"> <li>use basic cognitive and practical skills to complete well-defined routine tasks and procedures</li> <li>select and use relevant information</li> <li>identify whether actions have been effective</li> </ul>		
<p><b>Level 2</b></p> <p><b>Skills descriptor</b></p> <p>The holder can:</p> <ul style="list-style-type: none"> <li>select and use relevant cognitive and practical skills to complete well-defined, generally routine tasks and address straightforward problems</li> <li>identify, gather and use relevant information to inform actions</li> <li>identify how effective actions have been</li> </ul>	<p>2.1</p>	<p>2.3</p>

## Appendix 3 – Unit 1 – Your Personal Finances

A description of Unit 1 that provides detail on syllabus content, learning outcomes and assessment criteria, and specific unit level descriptors.

### Your Personal Finances (Unit 1)

#### Unit narrative

In this unit, you will develop an understanding of money and sources of money. You will learn how to store money safely, how to prepare a personal budget and learn about different types of borrowing. You will also develop your understanding of saving money, borrowing money and different types of insurance. This unit will help you to develop understanding of spending and how to become competent at managing your own money.

#### Unit profile

<b>Unit title</b>	Unit 1: Your Personal Finances (YPF)
<b>Ofqual unit reference number</b>	T/508/5292
<b>Unit level</b>	1
<b>Unit credit value</b>	5
<b>Typical study hours</b>	48.5

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### Unit 1 assessment methodology

- a. The assessment of Unit 1 comprises 30 standalone multiple-choice questions. The examination is to be completed in 30 minutes.
- b. The examination will be worth a total of 30 marks.

### Unit 1 learning outcomes / assessment criteria

<b>Learning outcome (LO)</b> <b>The learner when awarded credit for this unit will:</b>	<b>Assessment criteria (AC)</b> <b>Assessment of the LOs will require a learner to demonstrate that they can:</b>
1. Understand the principles of money	1.1 Identify the key roles, features and definitions of money 1.2 Identify sources and features of income and make basic calculations 1.3 Identify various sources of money 1.4 Identify where money can be stored 1.5 Identify the features of bank accounts
2. Understand how to manage money	2.1 Outline the different types of spending 2.2 Identify the tools to manage a personal financial budget 2.3 Outline the features of savings products 2.4 Identify the different ways that items can be exchanged for money 2.5 Identify the types of borrowing products 2.6 Outline the features and providers of borrowing products
3. Understand the ways of keeping money safe	3.1 Identify the purpose and types of insurance 3.2 Identify ways of keeping money safe

## Unit 1 syllabus

<b>UNIT 1 SYLLABUS</b>	
<b>LOs / ACs</b>	
<b>LO1:</b>	<b>Understand the principles of money</b>
AC1.1	<ul style="list-style-type: none"> <li>• Identify the key roles, features and definitions of money</li> </ul> <p>Topic 1a What is money?</p> <ul style="list-style-type: none"> <li>- What is money?               <ul style="list-style-type: none"> <li>○ What are the features of money?</li> <li>○ What do we use as money?</li> </ul> </li> <li>- How do we know money is genuine?</li> <li>- Electronic balances</li> <li>- What did people do before money?</li> </ul>
AC1.2	<ul style="list-style-type: none"> <li>• Identify sources and features of income and make basic calculations</li> </ul> <p>Topic 1b What is income?</p> <ul style="list-style-type: none"> <li>- What is 'income'?               <ul style="list-style-type: none"> <li>○ What are 'earnings'?</li> </ul> </li> <li>- National minimum wage</li> <li>- Earnings from self-employment               <ul style="list-style-type: none"> <li>○ Eric the self-employed painter</li> </ul> </li> </ul> <p>Topic 1c How do we calculate income?</p> <ul style="list-style-type: none"> <li>- What is income tax?               <ul style="list-style-type: none"> <li>○ Personal allowance</li> </ul> </li> <li>- National Insurance (NI)</li> <li>- Pay as you earn (PAYE)</li> <li>- Payslips</li> </ul>
AC1.3	<ul style="list-style-type: none"> <li>• Identify various sources of money</li> </ul> <p>Topic 2 Sources of money</p> <ul style="list-style-type: none"> <li>- Different types of employment               <ul style="list-style-type: none"> <li>○ Full time working</li> <li>○ Shifts</li> <li>○ Part-time working</li> <li>○ Zero-hour contracts</li> </ul> </li> <li>- Income for people who are not working               <ul style="list-style-type: none"> <li>○ Education Maintenance Allowance (EMA)</li> <li>○ Jobseeker's Allowance (JSA)</li> <li>○ Income Support</li> <li>○ Employment and Support Allowance (ESA)</li> <li>○ Universal Credit</li> <li>○ Child Benefit</li> <li>○ Basic state pension [includes new state pension]</li> <li>○ Auto-enrolment and NEST</li> </ul> </li> <li>- Investment income</li> <li>- Gifts</li> <li>- Inheritance and its implications               <ul style="list-style-type: none"> <li>○ Inheriting money and possessions</li> <li>○ A will</li> <li>○ Making wills</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Intestacy</li> <li>○ Inheritance tax (IHT)</li> </ul>
AC1.4	<ul style="list-style-type: none"> <li>• Identify where money can be stored</li> </ul> <p>Topic 3a Where can we store money?</p> <ul style="list-style-type: none"> <li>- Storing money</li> <li>- Where can we store money in a house?</li> <li>- Should we carry our money with us?</li> <li>- Who can store our money for us? <ul style="list-style-type: none"> <li>○ Banks</li> <li>○ Building societies and credit unions</li> <li>○ Earning interest</li> </ul> </li> <li>- What accounts can we use?</li> <li>- How do we know our money is safe?</li> </ul>
AC1.5	<ul style="list-style-type: none"> <li>• Identify the features of bank accounts</li> </ul> <p>Topic 3b How do bank accounts work?</p> <ul style="list-style-type: none"> <li>- Current accounts <ul style="list-style-type: none"> <li>○ Sort code and account number</li> </ul> </li> <li>- Debit cards <ul style="list-style-type: none"> <li>○ Chip and PIN</li> <li>○ Contactless cards</li> </ul> </li> <li>- What about buying on the internet?</li> <li>- How do we deposit and withdraw money? <ul style="list-style-type: none"> <li>○ Automatic teller machine (ATM)</li> <li>○ In branch</li> </ul> </li> <li>- How do we pay other people? <ul style="list-style-type: none"> <li>○ Direct debits</li> <li>○ Standing orders</li> <li>○ Cheques</li> </ul> </li> <li>- How do we keep track of our money?</li> </ul>
<b>LO2:</b>	<b>Understand how to manage money</b>
AC2.1	<ul style="list-style-type: none"> <li>• Outline the different types of spending</li> </ul> <p>Topic 4a What is spending?</p> <ul style="list-style-type: none"> <li>- How do we choose to spend money? <ul style="list-style-type: none"> <li>○ Needs v wants</li> <li>○ Essential v non-essential spending</li> </ul> </li> <li>- Value for money</li> <li>- Price comparison and shopping around <ul style="list-style-type: none"> <li>○ Good v poor deals (buy one get one free, etc.)</li> <li>○ Loyalty cards</li> </ul> </li> <li>- Attitudes to spending <ul style="list-style-type: none"> <li>○ Three attitudes to spending</li> <li>○ Prioritising</li> </ul> </li> <li>- Taking risks with money</li> <li>- Risk and reward <ul style="list-style-type: none"> <li>○ Shares</li> </ul> </li> <li>- Premium Bonds</li> <li>- Gambling</li> <li>- The UK National Lottery <ul style="list-style-type: none"> <li>○ How likely are you to win a prize on the Lottery?</li> </ul> </li> <li>- Stocks and shares</li> </ul>

	<ul style="list-style-type: none"> <li>- Safe / responsible gambling – the risks</li> </ul>
AC2.2	<ul style="list-style-type: none"> <li>• Identify the tools to manage a personal financial budget</li> </ul> <p>Topic 4b What is budgeting?</p> <ul style="list-style-type: none"> <li>- What is ‘budgeting’? <ul style="list-style-type: none"> <li>○ Income and expenditure</li> </ul> </li> <li>- Short-term budgeting <ul style="list-style-type: none"> <li>○ Example short-term budget</li> </ul> </li> <li>- Checking bank statements</li> <li>- Putting it all together</li> <li>- What happens when things change?</li> <li>- Creating a medium-term budget</li> <li>- Long-term budgeting</li> </ul>
AC2.3	<ul style="list-style-type: none"> <li>• Outline the features of savings products</li> </ul> <p>Topic 5a How can we save money?</p> <ul style="list-style-type: none"> <li>- Why should we save money? <ul style="list-style-type: none"> <li>○ Saving for the future</li> <li>○ Earning interest</li> </ul> </li> <li>- Tax on savings interest</li> <li>- Where can we put savings? <ul style="list-style-type: none"> <li>○ Instant-access account</li> <li>○ Notice account</li> <li>○ Cash individual savings account (ISA)</li> </ul> </li> <li>- How is interest worked out?</li> <li>- What do people look for in a savings account?</li> </ul>
AC2.4	<ul style="list-style-type: none"> <li>• Identify the different ways that items can be exchanged for money</li> </ul> <p>Topic 5b What is selling?</p> <ul style="list-style-type: none"> <li>- Why might we sell items? <ul style="list-style-type: none"> <li>○ Saving up</li> </ul> </li> <li>- Where can we sell items?</li> <li>- Online auctions <ul style="list-style-type: none"> <li>○ How does an online auction work?</li> </ul> </li> <li>- Car boot and garage sales</li> <li>- Online marketplaces</li> <li>- Cash for gold</li> <li>- Cash converters</li> <li>- Recycling mobile phones</li> <li>- What are the costs of selling?</li> </ul>
AC2.5	<ul style="list-style-type: none"> <li>• Identify the types of borrowing products</li> </ul> <p>Topic 6a What is borrowing?</p> <ul style="list-style-type: none"> <li>- Why might we borrow money?</li> <li>- How does borrowing work?</li> <li>- In what ways can people borrow? <ul style="list-style-type: none"> <li>○ Personal loan</li> <li>○ Overdraft</li> <li>○ Credit card</li> </ul> </li> </ul>
AC2.6	<ul style="list-style-type: none"> <li>• Outline the features and providers of borrowing products</li> </ul> <p>Topic 6b How do we borrow sensibly?</p> <ul style="list-style-type: none"> <li>- Can we afford to borrow?</li> </ul>

	<ul style="list-style-type: none"> <li>○ Checking our budget</li> <li>○ Considering interest</li> <li>○ Annual percentage rate (APR)</li> <li>- How do we choose the right lender? <ul style="list-style-type: none"> <li>○ What is interest-free credit?</li> </ul> </li> <li>- Which lenders should we avoid? <ul style="list-style-type: none"> <li>○ Payday lenders</li> <li>○ Store cards</li> <li>○ Loan sharks</li> </ul> </li> </ul>
<b>LO3:</b>	<b>Understand the ways of keeping money safe</b>
AC3.1	<ul style="list-style-type: none"> <li>• Identify the purpose and types of insurance</li> </ul> <p>Topic 7 What is insurance?</p> <ul style="list-style-type: none"> <li>- What is insurance? <ul style="list-style-type: none"> <li>○ How do insurers make money?</li> <li>○ Providers of insurance</li> </ul> </li> <li>- Compulsory insurance <ul style="list-style-type: none"> <li>○ Car insurance (third party)</li> </ul> </li> <li>- Voluntary insurance <ul style="list-style-type: none"> <li>○ Comprehensive car insurance</li> <li>○ Travel insurance</li> <li>○ House insurance</li> <li>○ Buildings insurance</li> <li>○ Home contents insurance</li> <li>○ Pet insurance</li> <li>○ Health insurance</li> </ul> </li> <li>- Life assurance <ul style="list-style-type: none"> <li>○ Whole of life</li> <li>○ Term</li> </ul> </li> <li>- Insurance premium tax (IPT)</li> <li>- What are the risks of not insuring? <ul style="list-style-type: none"> <li>○ Theft</li> <li>○ Accidental damage</li> </ul> </li> <li>- Important principles <ul style="list-style-type: none"> <li>○ Material facts</li> <li>○ 'In good faith'</li> <li>○ Indemnity</li> </ul> </li> <li>- How do we get good insurance deals?</li> </ul>
AC3.2	<ul style="list-style-type: none"> <li>• Identify ways of keeping money safe</li> </ul> <p>Topic 8 How do we keep our money safe?</p> <ul style="list-style-type: none"> <li>- How do we keep our money safe?</li> <li>- What is fraud? <ul style="list-style-type: none"> <li>○ Identity fraud (or theft)</li> </ul> </li> <li>- How do we avoid fraud? <ul style="list-style-type: none"> <li>○ Account security</li> <li>○ Phishing</li> <li>○ Keep your details secret</li> <li>○ Report suspicions straight away</li> </ul> </li> <li>- How do we buy safely online?</li> </ul>
<b>Study skills and exam practice</b>	
<ul style="list-style-type: none"> <li>• Exam techniques</li> </ul>	

## Appendix 4 – Unit 2 – Money Management For Your Generation

A description of Unit 2 that provides detail on syllabus content, learning outcomes and assessment criteria, and specific unit level descriptors.

### Money Management For Your Generation (Unit 2)

#### Unit narrative

In this unit you will develop an understanding of modern banking and the tools you can use to manage your money. You will learn where income can come from and how to understand the documentation, for example payslips, relating to this income. You will also develop your understanding of different types of payment card, the cost of borrowing and where to go for advice. The unit will help you calculate the true cost of spending and foreign exchange, and will also assist your development in making informed choices about your bank account and spending decisions.

#### Unit profile

<b>Unit title</b>	Unit 2: Money Management For Your Generation (MMG)
<b>Ofqual unit reference number</b>	M/615/8346
<b>Unit level</b>	2*
<b>Unit credit value</b>	3
<b>Typical study hours</b>	34.5

\*This unit could be awarded at Level 1

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## Unit 2 assessment methodology

- a. The assessment of Unit 2 comprises 44 standalone multiple-choice questions. The examination is to be completed in 45 minutes.
- b. The examination will be worth a total of 44 marks.

## Unit 2 learning outcomes / assessment criteria

<b>Learning outcome (LO)</b> The learner when awarded credit for this unit will:	<b>Assessment criteria (AC)</b> Assessment of the LOs will require a learner to demonstrate that they can:
1. Understand the key methods of managing money	1.1 Identify the various methods used to manage money 1.2 Identify the various methods of payment
2. Understand the sources of pay	2.1 Identify sources and features of pay and make basic calculations
3. Understand the key methods of making payments	3.1 Identify the different types of payment card 3.2 Identify the various features of payment cards
4. Understand the cost of borrowing	4.1 Identify different types of borrowing products 4.2 Identify the cost and legal issues relating to borrowing
5. Understand how to use money abroad	5.1 Outline how to exchange money 5.2 Identify the various methods of using money abroad
6. Know how to make decisions about personal finance and understand their consequences	6.1 Understand financial difficulties and their consequences on a personal financial budget
7. Know where to go for different types of financial advice	7.1 Identify where to go for different types of financial advice and sources of financial protection

## Unit 2 syllabus

<b>UNIT 2 SYLLABUS</b>	
<b>LOs / ACs</b>	
<b>LO1:</b>	<b>Understand the key methods of managing money</b>
AC1.1	<ul style="list-style-type: none"> <li>• Identify the various methods used to manage money</li> </ul> <p>Topic 1 Modern banking</p> <ul style="list-style-type: none"> <li>- Channels that help you to manage your money</li> <li>- Branch and face-to-face banking               <ul style="list-style-type: none"> <li>○ Advantages and disadvantages of branch and face-to-face banking</li> </ul> </li> <li>- Paper statements               <ul style="list-style-type: none"> <li>○ Advantages and disadvantages of paper statements</li> </ul> </li> <li>- Internet banking               <ul style="list-style-type: none"> <li>○ Setting up internet banking</li> <li>○ Using internet banking</li> <li>○ Electronic statements</li> <li>○ Internet-only banks</li> <li>○ Advantages and disadvantages of internet banking</li> </ul> </li> <li>- Telephone banking               <ul style="list-style-type: none"> <li>○ Setting up telephone banking</li> <li>○ Using telephone banking</li> <li>○ Advantages and disadvantages of telephone banking</li> </ul> </li> <li>- Mobile banking – phone banking apps               <ul style="list-style-type: none"> <li>○ Statements to mobiles</li> </ul> </li> <li>- Security features of automated payments               <ul style="list-style-type: none"> <li>○ PIN</li> <li>○ Passwords</li> <li>○ Security questions</li> <li>○ Card cloning and copying</li> </ul> </li> </ul>
AC1.2	<ul style="list-style-type: none"> <li>• Identify the various methods of payment</li> </ul> <p>Topic 1 Modern banking</p> <ul style="list-style-type: none"> <li>- Barclays 'Pingit'</li> <li>- Paym</li> <li>- Apple Pay</li> <li>- Automated tools used to transfer money electronically</li> <li>- Automated teller machines (ATMs)</li> <li>- Faster Payments</li> <li>- Cheques               <ul style="list-style-type: none"> <li>○ The clearing cycle</li> </ul> </li> <li>- Direct debits</li> <li>- Standing orders</li> <li>- Bank charges</li> <li>- CHAPS</li> <li>- Bacs</li> <li>- PayPal</li> <li>- Keeping track</li> </ul>
<b>LO2:</b>	<b>Understand the sources of pay</b>
AC2.1	<ul style="list-style-type: none"> <li>• Identify sources and features of pay and make basic calculations</li> </ul>

	<p>Topic 2 Pay and pay calculations</p> <ul style="list-style-type: none"> <li>- What are 'earnings'?</li> <li>- Gross pay and net pay</li> <li>- Pay as you earn (PAYE)</li> <li>- Payslips <ul style="list-style-type: none"> <li>o Demi's payslip</li> </ul> </li> <li>- National Insurance (NI) <ul style="list-style-type: none"> <li>o Your NI number</li> <li>o Calculating NI</li> </ul> </li> <li>- Income tax and tax codes <ul style="list-style-type: none"> <li>o Tax rate and tax band</li> <li>o Tax code</li> </ul> </li> <li>- Overtime</li> <li>- Sick pay</li> <li>- Maternity pay</li> <li>- Student loans</li> <li>- National minimum wage and living wage</li> <li>- Apprenticeship minimum wage</li> <li>- Tax and NI paid to date</li> <li>- P45 and P60</li> <li>- Self-employed people <ul style="list-style-type: none"> <li>o Income tax and NI</li> <li>o Tax return (self-assessment)</li> </ul> </li> <li>- Basic wage calculations</li> </ul>
<b>LO3:</b>	<b>Understand the key methods of making payments</b>
AC3.1 AC3.2	<ul style="list-style-type: none"> <li>• Identify the different types of payment card</li> <li>• Identify the various features of payment cards</li> </ul> <p>Topic 3 Different types of payment card</p> <ul style="list-style-type: none"> <li>- Different types of payment card</li> <li>- Debit cards <ul style="list-style-type: none"> <li>o Using debit cards for mail order, telephone and internet payments</li> <li>o Getting cashback using a debit card</li> <li>o Limits and charges on debit cards</li> <li>o Contactless cards</li> <li>o Advantages and disadvantages of debit cards</li> </ul> </li> <li>- Credit cards <ul style="list-style-type: none"> <li>o Using credit cards in ATMs</li> <li>o Using credit cards in shops</li> <li>o Using a credit card at a distance</li> <li>o Limits and charges on a credit card</li> <li>o Repayment</li> <li>o Interest-free credit period</li> <li>o Introductory offers</li> <li>o Advantages and disadvantages of credit cards</li> </ul> </li> <li>- Store cards <ul style="list-style-type: none"> <li>o Limits and charges on store cards</li> <li>o Advantages and disadvantages of store cards</li> </ul> </li> <li>- Charge cards <ul style="list-style-type: none"> <li>o Limits and charges on charge cards</li> <li>o Advantages and disadvantages of charge cards</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>- Prepaid cards</li> <li>- Cash cards <ul style="list-style-type: none"> <li>o Limits and charges on cash cards</li> <li>o Advantages and disadvantages of cash cards</li> </ul> </li> </ul>
<b>LO4:</b>	<b>Understand the cost of borrowing</b>
AC4.1	<ul style="list-style-type: none"> <li>• Identify different types of borrowing products</li> </ul> <p>Topic 4 Borrowing basics and costs / Borrowing types and legal issues</p> <ul style="list-style-type: none"> <li>- Borrowing</li> <li>- Ability to pay for a financial product</li> <li>- Interest</li> <li>- Methods and benefits of obtaining credit <ul style="list-style-type: none"> <li>o Overdrafts (short term)</li> <li>o Credit cards and store cards (short term)</li> <li>o Personal loans (medium term)</li> <li>o Hire purchase (medium term)</li> <li>o Mortgages (long term)</li> </ul> </li> </ul>
AC4.2	<ul style="list-style-type: none"> <li>• Identify the cost and legal issues relating to borrowing</li> </ul> <p>Topic 4 Borrowing basics and costs / Borrowing types and legal issues</p> <ul style="list-style-type: none"> <li>- Annual percentage rate (APR) and equivalent annual rate (EAR) <ul style="list-style-type: none"> <li>o Fixed APR</li> <li>o Variable APR</li> <li>o EAR</li> </ul> </li> <li>- Fees</li> <li>- Total charge for credit</li> <li>- Interest-free credit</li> <li>- Depreciation of goods <ul style="list-style-type: none"> <li>o How depreciation affects credit decisions</li> <li>o Appreciation</li> </ul> </li> <li>- Comparisons between different borrowing products <ul style="list-style-type: none"> <li>o Comparing the rates</li> </ul> </li> <li>- Legal issues relating to borrowing <ul style="list-style-type: none"> <li>o Secured and unsecured lending</li> <li>o Credit scoring</li> <li>o Credit history</li> <li>o The credit agreement</li> <li>o Joint-name borrowing <ul style="list-style-type: none"> <li>- Joint and several liability</li> </ul> </li> <li>o Cooling-off period</li> <li>o Age limits for borrowing</li> </ul> </li> </ul>
<b>LO5:</b>	<b>Understand how to use money abroad</b>
AC5.1	<ul style="list-style-type: none"> <li>• Outline how to exchange money</li> </ul> <p>Topic 5 Using money abroad</p> <ul style="list-style-type: none"> <li>- What is a currency? <ul style="list-style-type: none"> <li>o The euro</li> <li>o The US dollar</li> <li>o The pound sterling</li> </ul> </li> <li>- Exchanging currencies <ul style="list-style-type: none"> <li>o Exchange rate</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Calculating currency exchanges</li> <li>○ How banks and foreign exchange bureaux make money</li> <li>○ Commission</li> </ul>
AC5.2	<ul style="list-style-type: none"> <li>● Identify the various methods of using money abroad</li> </ul> <p>Topic 5 Using money abroad</p> <ul style="list-style-type: none"> <li>- Using money in different countries <ul style="list-style-type: none"> <li>○ Buying cash</li> <li>○ Buying travellers' cheques</li> </ul> </li> <li>- Using a plastic card abroad [includes ATMs] <ul style="list-style-type: none"> <li>○ Debit card</li> <li>○ Credit card</li> <li>○ Prepaid cash card</li> </ul> </li> <li>- Where to exchange money abroad <ul style="list-style-type: none"> <li>○ Bureau de change</li> </ul> </li> <li>- Changes in variable exchange rates <ul style="list-style-type: none"> <li>○ Exchange rate risk</li> </ul> </li> <li>- Mobile tariffs abroad <ul style="list-style-type: none"> <li>○ Roaming charges</li> </ul> </li> </ul>
<b>LO6:</b>	<b>Know how to make decisions about personal finance and understand their consequences</b>
AC6.1	<ul style="list-style-type: none"> <li>● Understand financial difficulties and their consequences on a personal financial budget</li> </ul> <p>Topic 6 Financial difficulties and their consequences</p> <ul style="list-style-type: none"> <li>- Financial difficulties <ul style="list-style-type: none"> <li>○ Expected v unexpected events</li> </ul> </li> <li>- Overspending <ul style="list-style-type: none"> <li>○ Overspending causing financial problems</li> <li>○ Solutions to overspending</li> </ul> </li> <li>- Failure to pay</li> <li>- Defining 'financial difficulties' <ul style="list-style-type: none"> <li>○ Causes of financial difficulties [includes zero-hours contracts, job security, income protection]</li> <li>○ Action that a person can take if they are in financial difficulties</li> </ul> </li> <li>- Legal options for an individual <ul style="list-style-type: none"> <li>○ Individual voluntary arrangement (IVA)</li> <li>○ Bankruptcy</li> <li>○ Debt relief order</li> </ul> </li> <li>- Legal options for a lender or creditor <ul style="list-style-type: none"> <li>○ County court judgment (CCJ)</li> <li>○ Repossession</li> </ul> </li> <li>- Introduction to legal options in other countries</li> </ul>
<b>LO7:</b>	<b>Know where to go for different types of financial advice</b>
AC7.1	<ul style="list-style-type: none"> <li>● Identify where to go for different types of financial advice and sources of financial protection</li> </ul> <p>Topic 7 Financial advice and protection</p> <ul style="list-style-type: none"> <li>- Where can we get financial advice?</li> <li>- Friends and family <ul style="list-style-type: none"> <li>○ Limitations</li> </ul> </li> </ul>

- Financial advisers
  - o Types of adviser
  - o How financial advisers are paid
- Financial organisations
  - o Banks and building societies
  - o Insurance companies
- Citizens Advice
- The Money Charity
- StepChange Debt Charity
  - o Limitations
- Other sources of financial advice
- Financial protection
- Financial Conduct Authority (FCA)
  - o Protecting consumers
  - o Achieving the FCA's objectives
- Protection in cases of poor financial advice and fraud
  - o The Financial Ombudsman Service (FOS)
  - o The Financial Services Compensation Scheme (FSCS)
- Responsibilities of consumers

**Study skills and exam practice**

- Exam techniques

## Appendix 5 – Unit 3 – Your Future, Your Career

A description of Unit 3 that provides detail on syllabus content, learning outcomes and assessment criteria, and specific unit level descriptors.

### Your Future, Your Career (Unit 3)

#### Unit narrative

In this unit you will gain an insight into, and appreciation of, different career paths within the financial services sector. You will explore how to research and create career opportunities, understand the various routes into financial services and other industries and the key elements of making oneself employable.

#### Unit profile

<b>Unit title</b>	Unit 3: Your Future, Your Career (YFC)
<b>Ofqual unit reference number</b>	A/615/8348
<b>Unit level</b>	2*
<b>Unit credit value</b>	10
<b>Typical study hours</b>	98

\*This unit could be awarded at Level 1

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### Unit 3 assessment methodology

- a. The assessment of Unit 3 comprises 16 standalone multiple-choice questions and 2 case studies each with 5 associated questions (total marks 26). The examination is to be completed in 30 minutes.
- b. The examination will be worth a total of 26 marks.

### Unit 3 learning outcomes / assessment criteria

<b>Learning outcome (LO)</b> <b>The learner when awarded credit for this unit will:</b>	<b>Assessment criteria (AC)</b> <b>Assessment of the LOs will require a learner to demonstrate that they can:</b>
1. Understand the financial services industry	1.1 Outline the various industries within financial services
2. Understand ways of considering and preparing for careers in financial services and other industries	2.1 Identify the various routes into financial careers and other industries 2.2 Identify the various roles and career paths in financial services and other industries 2.3 Select and apply ways of enhancing employability for a career

## Unit 3 syllabus

<b>UNIT 3 SYLLABUS</b> <b>LOs / ACs</b>	
<b>LO1:</b>	<b>Understand the financial services industry</b>
AC1.1	<ul style="list-style-type: none"> <li>• Outline the various industries within financial services</li> </ul> <p>Topic 3 The financial services industry</p> <ul style="list-style-type: none"> <li>- Overview of the industry               <ul style="list-style-type: none"> <li>○ Scale and impact on the economy</li> </ul> </li> <li>- Factors to consider when choosing a career</li> <li>- Researching different industries               <ul style="list-style-type: none"> <li>○ Retail banking</li> <li>○ Business banking</li> <li>○ Funds and investments, and other financial advice</li> <li>○ Insurance</li> <li>○ Accounting</li> <li>○ Financial sectors within other industries</li> <li>○ Always changing</li> </ul> </li> </ul>
<b>LO2:</b>	<b>Understand ways of considering and preparing for careers in financial services and other industries</b>
AC2.1	<ul style="list-style-type: none"> <li>• Identify the various routes into financial careers and other industries</li> </ul> <p>Topic 4 Routes into financial careers and other industries</p> <ul style="list-style-type: none"> <li>- Introduction</li> <li>- Apprenticeships               <ul style="list-style-type: none"> <li>○ How to apply</li> </ul> </li> <li>- School leaver programmes</li> <li>- University and graduate programmes</li> <li>- Internships</li> <li>- Work experience               <ul style="list-style-type: none"> <li>○ Volunteering</li> <li>○ Work shadowing</li> </ul> </li> <li>- Tips for internships or work experience</li> <li>- Developing competencies</li> <li>- Assessing competencies               <ul style="list-style-type: none"> <li>○ SMART goals</li> </ul> </li> <li>- Career plan</li> </ul>
AC2.2	<ul style="list-style-type: none"> <li>• Identify the various roles and career paths in financial services and other industries</li> </ul> <p>Topic 2 Roles and career paths</p> <ul style="list-style-type: none"> <li>- Many different roles needed</li> <li>- Small, medium and large organisations</li> <li>- Inter-related products and services</li> <li>- Career guidance at work</li> <li>- Professional associations and qualifications               <ul style="list-style-type: none"> <li>○ The London Institute of Banking &amp; Finance history, CPQ, etc.</li> </ul> </li> <li>- Roles and career progression               <ul style="list-style-type: none"> <li>○ Retail and business banking</li> <li>○ Funds and investments</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Insurance</li> <li>○ Accounting</li> </ul>
AC2.3	<ul style="list-style-type: none"> <li>• Select and apply ways of enhancing employability for a career</li> </ul> <p>Topic 1 Employability: applying for a job</p> <ul style="list-style-type: none"> <li>- Introduction <ul style="list-style-type: none"> <li>○ The typical recruitment process</li> </ul> </li> <li>- Research</li> <li>- Opportunities: where to look</li> <li>- Responding to job adverts</li> <li>- Choosing a job that matches your skills and interests</li> <li>- What competencies do employers look for?</li> <li>- Finding out more about employers</li> <li>- Application <ul style="list-style-type: none"> <li>○ Developing a CV <ul style="list-style-type: none"> <li>- Including all relevant details (volunteering, etc.)</li> <li>- References</li> </ul> </li> <li>○ Application forms, personal statements and cover letters</li> <li>○ Online assessment</li> <li>○ Interviews <ul style="list-style-type: none"> <li>- Preparation</li> <li>- The STAR approach</li> <li>- Self-evaluation</li> </ul> </li> <li>○ Assessment centres</li> <li>○ Pre-employment checks</li> <li>○ Offer</li> </ul> </li> </ul>
<b>Study skills and exam practice</b>	
	<ul style="list-style-type: none"> <li>• Exam techniques</li> </ul>