

FinED Fiji Learning Outcomes: Years 9 to 12

Year 9 - Commercial Studies – Personal Finance I (One term)

“Effective Money Management”

Income and Money Management

1. The development and functions of money

Students could demonstrate such knowledge and understandings when they:

- (a) Describe the development of money including different forms of money (cheques, EFTPOS, credit card payments);
- (b) Describe the qualities of money;
- (c) Apply the qualities of money to the Fijian dollar.

2. Methods of payment

Students could demonstrate such knowledge and understandings when they:

- (a) Describe how the barter system works;
- (b) Describe how money facilitates personal transactions;
- (c) Compare the advantages and disadvantages of using cash rather than cheques for payment of expenses;
- (d) Describe the function and use of documentation for banking activity (including remittances and money transfers);
- (e) Compare and contrast different methods used for payment of expenses such as EFTPOS, credit card, mobile banking;
- (f) Describe the features of electronic banking (eBank).

3. How consumers earn their income

Students could demonstrate such knowledge and understandings when they:

- (a) Identify ways (including entrepreneurial activity) in which people can earn an income or times when money is received as gifts, or receive cash as a loan;
- (b) Describe the different sources of income (earned and unearned) for individuals and households;
- (c) Interpret documents related to sources of income (including deductions – documents to include payslips, remittance receipts, bank statement entries);
- (d) Explain the importance that remittances from overseas have on household incomes.

4. How to manage personal finances

Students could demonstrate such knowledge and understandings when they:

- (a) Describe the different parts which make up a personal/family budget;
- (b) Identify the source documents which are evidence of income and expenditure items of a budget;

- (c) Interpret documents related to the spending of income (including VAT – documents to include invoices for household expenses such as telephone, school fees, transportation, electricity, water meter, shopping dockets, receipts for other payments);
- (d) Identify ways to keep personal financial records;
- (e) Prepare a budget for an individual and a family.

5. The benefits of spending income wisely

Students could demonstrate such knowledge and understandings when they:

- (a) Construct a budget for spending income wisely;
- (b) Evaluate different alternatives of spending using the decision making process;
- (c) Identify opportunity costs related to making specific purchasing decisions;
- (d) Identify the factors which influence decision making such as income levels, personal values, beliefs, obligations and priorities;
- (e) Identify the external economic factors, beyond the control of the individual, which influence decision making;
- (f) Identify what records, such as bank statements, are useful in order to develop money management capability;
- (g) Identify and explain methods for spending income wisely such as buying in bulk, conserving and recycling;
- (h) Utilise budgets to control and manage individual/family spending;
- (i) Investigate the impact of unplanned spending.

6. How money is managed over time

Students could demonstrate such knowledge and understandings when they:

- (a) Identify personal expenses for different living situations and at different life-stages;
- (b) Explain the role of budgets in managing spending and saving in the short and medium term;
- (c) Set up a savings programme for both short and long-term goals;
- (d) Monitor the savings programme to achieve the short-term goal;
- (e) Demonstrate the impact of inflation on income.

7. How banks help personal financial management

Students could demonstrate such knowledge and understandings when they:

- (a) Identify different ways for keeping money safe, such as school banking or banking activities in rural areas;
- (b) Describe how banks can help personal money management, providing a range of services for changing needs;
- (c) Describe the steps for opening a bank account, including the need to have a Tax Identification Number (TIN).

8. Issues and trends in personal finance

Students could demonstrate such knowledge and understandings when they:

- (a) Identify three prudent money management practices for two different communities in Fiji;
- (b) Identify issues that have arisen for Fiji people for personal finance (access to banking facilities, increase in VAT, flow of cash, lack of financial understanding);
- (c) Apply solutions to the identified financial issues;

Year 10 - Commercial Studies – Personal Finance II (One term)

1. Managing finances related to individual and family events

Students could demonstrate such knowledge and understandings when they:

- (a) Classify the different expenditures (especially cultural and belief expenditures) relevant to different events which affect individuals living in Fiji;
- (b) Prioritise needs and aspirations within the boundaries of a finite income;
- (c) Identify a range of principles of good financial management;
- (d) Discuss values and ethical factors which impact upon decisions;
- (e) Explore ways in which needs and aspirations may be financed;
- (f) Identify ways of maximising income for an individual and a family;
- (g) Describe how income contributes to well-being;
- (h) Evaluate the benefits and costs of a non-financial nature which influence decision making for such events.

2. Managing credit

Students could demonstrate such knowledge and understandings when they:

- (a) Identify the advantages and disadvantages of borrowing;
- (b) Identify different sources of borrowing, including financial institution lending, hire purchase, money lenders, store lending, and family;
- (c) Compare and contrast the costs of buying on credit, from a range of lenders, buying with cash and layby arrangements;
- (d) Understand the need to plan and manage debt (for example, discounts for prompt payment, paying on time, paying required amount in full);
- (e) Show the impact of increasing debt on current and future spending options;
- (f) Describe the impact of credit costs, traditional obligations and credit timeframes on different forms of credit arrangements;
- (g) Describe what is meant by credit worthiness and the implications of a credit history;
- (h) Identify the difference between good and bad debt, and manageable and unmanageable debt.

3. The need to protect against financial risk

Students could demonstrate such knowledge and understandings when they:

- (a) Identify possible risks for loss of value in your family's property (for example, accidents, fire, flood, theft, water damage, loss of income, natural disasters)
- (b) Describe the principles of insurance as a ways of reducing risk;
- (c) Investigate which insurance types are available and the most popular in Fiji;
- (d) Investigate a range of financial institutions which offer insurance cover;
- (e) Investigate changing risk management needs at various life-stages and in relation to income and wealth.

4. Risk and return in relation to popular financial products

Students could demonstrate such knowledge and understandings when they:

- (a) Investigate generic financial products available to young people in the short and medium term;
- (b) Research the risk and returns involved in investment products, possibly including the sharemarket;
- (c) Investigate the terms and conditions of investments that are offered by a range of financial institutions;
- (d) Give examples of different rights and responsibilities in relation to financial products;
- (e) Compare the risk and return from savings and investment products over time.

5. Why and how people invest income

Students could demonstrate such knowledge and understandings when they:

- (a) Investigate different ways of investing income to create wealth, including superannuation;
- (b) Investigate and compare interest rates and terms over time;
- (c) Employ a tool to demonstrate the benefits of compound interest;
- (d) Demonstrate the impact of inflation on wealth;
- (e) Demonstrate the impact of tax on wealth;
- (f) Demonstrate the impact of tax on income;
- (g) Demonstrate the impact of tax on cash receipts.

6. Financial planning for the future

Students could demonstrate such knowledge and understandings when they:

- (a) Investigate life-stage related financial events;
- (b) Investigate how life styles and life-stages influence choices of financial products;
- (c) Determine factors that influence individuals' investment decisions (include values, beliefs and attitudes);
- (d) Demonstrate the longer-term financial consequences of decision making;
- (e) Show various savings commitments for different sorts of items and how decisions for these differ;
- (f) Compare long-term savings goals and trade-offs with short-term goals;
- (g) Draw up a simple investment plan;
- (h) Monitor the implementation of the investment plan.

Year 11 and 12

The following learning outcomes have been placed into Year 11 and 12 Economics, Accounting, English and Maths.

Economics

1. Credit history and credit records

Students could demonstrate such knowledge and understandings when they:

- (a) Make informed decisions about the purpose and use of credit;
- (b) Explain the long-term implications of credit arrangements, getting into debt and possible consequences;
- (c) Compare the financial and non-financial implications of spending now with spending later;
- (d) Explain the importance of establishing a good credit history;
- (e) Describe ways to avoid or correct credit problems;
- (f) Explain the purpose of a credit record;
- (g) Identify borrowers' credit report rights;
- (h) Identify ways that a negative credit report can affect a consumer's financial future.

2. Sources of advice

Students could demonstrate such knowledge and understandings when they:

- (a) Identify available credit advice agencies available in another country.

3. Income decisions

Students could demonstrate such knowledge and understandings when they:

- (a) Identify and evaluate alternative forms of income;
- (b) Identify one's own income potential;
- (c) Identify a career goal and develop a plan and timetable for achieving it, including education/training requirements, costs and possible debt;
- (d) Make an informed decision relating to personal income in the context of a life-stage or a life event;
- (e) Identify the impact of changes in income;
- (f) Evaluate consequences of a decision relating to personal income.

4. Banking and financial services

Students could demonstrate such knowledge and understandings when they:

- (a) Identify products and services offered by banking and financial institutions;
- (b) Describe specialised and/or ancillary products and services offered by banking institutions and their purpose;

- (c) Describe access mechanisms and security issues for general products and services;
- (d) Evaluate costs and benefits of the services offered;
- (e) Select and justify the most appropriate account for a given situation.

5. Personal financial planning

Students could demonstrate such knowledge and understandings when they:

- (a) Investigate possible income shocks/disruptions to earning an income and prepare a response;
- (b) Analyse how external factors such as economic, socio-cultural and regulatory factors can affect income and career potential;
- (c) Analyse life-styles possible at different income levels;
- (d) Explain the effect of inflation on income;
- (e) Use a financial or online calculator to determine the future income needed to maintain a current stand of living;
- (f) Identify the factors that affect net worth;
- (g) Calculate and analyse a person/family's net worth;
- (h) Analyse the income value of intangible assets.

Personal Accounting

1. Money management

Students could demonstrate such knowledge and understandings when they:

- (a) Explain the components, format and process for developing a budget;
- (b) Describe factors affecting take-home pay;
- (c) Design a balanced budget for a person/family to meet financial goals;
- (d) Identify the place of savings in a budget;
- (e) Modify the budget to reflect changing circumstances and/or goals and priorities.

2. Financial record keeping

Students could demonstrate such knowledge and understandings when they:

- (a) Interpret financial documents by identifying the purpose, sender/originator, contact details and other relevant information;
- (b) Reconcile financial document information with personal records to verify accuracy and legitimacy;
- (c) Describe actions required to correct inaccuracies;
- (d) Develop a filing system for keeping financial records, both paper and electronic;
- (e) Evaluate different transaction instruments and relate them to personal requirements;
- (f) Describe record keeping features that financial institutions provide for online account management.
- (g) Demonstrate skill in basic financial tasks, including scheduling bill payments, writing a cheque, reconciling bank statements and monitoring printed or online account statements for accuracy.

English

1. The nature of credit

Students could demonstrate such knowledge and understandings when they:

- (a) Describe credit (the power to obtain goods and services with an obligation on the borrower of future payment to the source of credit);
- (b) Explain why credit imposes an opportunity cost on borrowers and lenders;
- (c) Explain the difference between credit, debt and income;
- (d) Explain how debit cards differ from credit cards and charge cards;
- (e) Give examples of interest rates and terms of credit arrangements;
- (f) Describe the risks and costs of alternative forms of credit;
- (g) Give two examples of “easy access” credit;
- (h) Identify two different types of mortgage lenders and two different types of mortgage loans.

2. Legal aspects of credit

Students could demonstrate such knowledge and understandings when they:

- (a) Describe the rights and responsibilities of the user and issuer of credit in accordance with the Consumer Credit Act 1974;
- (b) Complete a typical credit card application accurately.

Mathematics

1. Calculate the costs of credit

Students could demonstrate such knowledge and understandings when they:

- (a) Using a financial or online calculator, compare the total cost of borrowing for a purchase between \$500 and \$15,000, for three different types of credit;
- (b) Given an “easy access” loan amount and a two-week borrowing fee, calculate the interest rate for the loan period and its annual equivalent;
- (c) Show, by examples of calculations, how the interest rate and loan length affect the cost of credit.
- (d) Give examples to measure the total cost of credit, including the hidden costs, not the interest rate only;
- (e) Employ a tool to calculate and evaluate different savings and debt options and match debt with the future value of purchases;
- (f) Use a tool to demonstrate the benefits of early repayment.

“The Ministry will continue to revise these learning outcomes as part of its normal processes.”