**Show Me the Money – Banking Basics**

**Banking Basics**

*How would you decide which bank is the one for you?*

I would choose the bank with more promotions and advantages that they give you when joining them. I would also consider and ask my peers about the bank and see if it is trusted.

**Money Personality Profile**

From the personalities I was given from the test, I am A Savor and Investor.

I think I am the type to save money and only invest a little.

Statement 1: Cheque

 *Cheques are a way of not letting others misuses the bank account money. You will have to provide the date, amount of money in numbers format and in English format with signature and your bank account number which you should have your own unique cheque with your personal information printed onto the cheque so not anyone can just take your signature and make a cheque under your name. There is also a format at the back letting the bank know if the money on the cheque is a transfer, to be cashed or just to be deposited.
None of the terms were new to me because I have written cheques before.*

Statement 2: The Transaction Register

*Transaction Registers are a way of keeping track of your payments or deposits that you have put in your bank account. It helps you know which payments you made within a month or so and tells you how much you spent during that month.
I also knew all the terms in this part of the topic.*

Statement 3: Reading Your Bank Statement

*Bank Statements help keep track of your money and your balance in your account. It helps to keep all the bank statements to know which payments you made and also all the information it gives you so you know where and when these transactions were made. A statement shows the date, you bank account info, new balance and the total withdraws and deposits you made.
I understood all the terms.*

**Reflection**

In this topic of the unit, I have learned a lot about banks, cheques and the basics of what to do, some were review but I learned a lot too. I learned about Debit, ATMs, what kind of money person I am and how to make a budget and to keep bank records. I learned about saving money and what to look out for in banking, I learned I could save more and that could help me out in the long run. I understood what are expenses and what are advantages, like investments and also expenses are things like clothing and food. Lastly, I learned how to choose good banks. I learned what to do financially, by investing and knowing to save my money. I knew about chequing and saving accounts along with learning which banks are trusted, investment, credit and chartered. This all helped me know all the basics of banking.

**Budgeting and Credit Card Use**

*What is the importance of a credit rating?*

 Credit rating is sort of like a rating on how well you pay back your debt. Banks and money loaners will look at your credit rating to see if the likelihood of you paying back your debt is good. This shows how well you handle your debt.

*How can understanding the advantages and pitfalls of credit be useful to you?*

 Understanding the advantages and disadvantages of credit is useful because if you learn how to handle debt well, you can be able to pay off your debt. For example, lots of teens don’t know when the bank first gives you some, “free credit” for you to use. The teens might spend it all thinking it’s all good. But what they might not know if you have to pay it back which could put them in a financial crisis, however, if you learned about this earlier. You will be able to pay off your debt monthly and have no trouble with your debt.

**Reflection**

In this topic, I learned about Budgets and Credit Cards. I learned about debts that should be paid back from saving money and not spending without a budget, budgets are very important to stop you from overusing and putting yourself in more debt than you already are. If you can learn to save money you can slowly pay off all your debt. Getting a good credit rating can get a good reward after paying off your debt because if you have bad credit then you won’t be able to get loans and bad credit can stick around for a while. At the end, I learned ways to have a good reputation/credit so banks can trust me to pay off my debt and I also learned to be able to spend on a budget to keep that good credit and be able to repay debt.

**Real Costs**

What are your choices to finance (pay for) a major purchase like your first car?

*Firstly, if it was my first car, I would buy a used car as I wouldn’t trust myself with a brand new car when I only started driving because I could wreck it and it also costs a lot of money. Lastly, I would also have to buy insurance along with the fuel that I have to pay to keep the car going.*

**Reflection**

I learned from the costs of cars, schools and having your own home. First, getting your home in the first place is expensive, but living there with all the expenses is even more expensive! I learned how to spend and save with my annual income and know to think ahead by keeping backup money and avoiding some types of places where I could be tempted to use my money. I also learned about scholarships, saving for school and part-time jobs during the school years.

**Taxes and You**

What would life be like without taxes?

 *If we didn’t have taxes, everyone would be happy that they don’t have to pay for all the bills and fees; however, if no one paid taxes, we wouldn’t have transportation, our police force, nothing. We would have no government to watch over us and we would have no services like insurance or aid to help us. We depend on the government and the government depends on us to pay our taxes so they can continue to do what they do. Even if we don’t want to pay taxes, we still should to keep having the life we have now.*

**Reflection**

I have learned a lot about taxes, I learned now about why I need to pay for them and where the tax actually goes. I learned how the government uses our taxes and what types of jobs are considered, “other income” like babysitting but I lastly, also learned about the tax exemption for teens so I don’t have to pay tax until I have a job and I get paid by a company. I learned a lot from this topic because it told me about how to handle the paperwork for taxes and how to understand them.

**Financial Plan**

How does cost determine which financial choice you make?

*The cost of something determines if I should buy that object. Even if it is super nice looking and is awesome in every possible way, I have to consider if I can afford it without putting myself in more debt than I can pay back. I have to set a budget for myself to restrain from over going my limit. So if the cost is too high, the better choice is to not buy it and maybe wait until the price drops.*

**Reflection**

 I learned from having a financial success is to have a good plan. I learned about rip offs and how to not fall for scams because nothing is just “free” or too good to be true. I might find legit offers to avoid losing my money that I work hard for. I learned to see if the seller is trusted to know if I should buy or accept that person’s offer. I also learned about compound interest. It taught me to save and how much of a difference it could make.