



## LONDON CAPITAL COMPUTER COLLEGE

### Diploma in Administrative Assistant (677) – Personal Finance

<b>Prerequisites:</b> Basic Business organisational knowledge.	<b>Corequisites:</b> A pass or higher in Certificate in Business Studies or equivalence.
<p><b>Aim:</b> The course prepares candidates to deal with decisions about financial strategies, cash flow management, managing risk and insurance, and retirement needs and analysis. Emphasis is on the significant financial decisions facing each household during its life cycle. The role of financial institutions and governmental economic policy is evaluated in the context of their potential impact on personal financial planning. Introduction and comprehensive overview of personal financial planning, managing assets, credit, insurance, investments, retirement and estate planning are also covered. The course then looks on taxation, estate planning and regulatory aspects of an individual's lifelong saving, borrowing and investment decisions. The course will educate candidates in making informed financial choices over their working careers. Other topics include credit management, credit scores, tax planning, consumer loans, home purchase and mortgage financing, property, life and health insurance, mutual funds, stock and bond investing, IRAs, retirement and estate planning. Concepts are applied to special situations and techniques for minimising taxes and achievement of client objectives. Planning for retirement plan distributions also is explored. Tax system is described covering both estate and gift taxes. Further management of property and its disposition is described with use of such tools as of wills and wills substitute such as life insurance. This course also reviews various business structuring and the special issues associated with creation, retention or disposition of a business interest in a family's financial planning. Graduates of the personal financial planning will find a variety of career opportunities although some of these may require additional education: Stock Broker; Financial Planner; Securities, Commodities, and Financial Services Sales Agents; Financial Analyst; Investment Specialist; Insurance Sales Agents; Financial Manager; Real Estate Brokers and Sales Agents</p>	
<b>Required Materials:</b> Recommended Learning Resources.	<b>Supplementary Materials:</b> Lecture notes and tutor extra reading recommendations.
<b>Special Requirements:</b> The course requires a combination of lectures, demonstrations and class discussions.	
<p><b>Intended Learning Outcomes:</b></p> <ol style="list-style-type: none"> <li>1. Explore Personal Financial Planning topics including budgeting, expenses, debt, saving, retirement and insurance among others.</li> <li>2. Define Time Value. Demonstrate calculating Future Value, Present Value and Present Value of a Future Payment</li> <li>3. Define and explain the tools and techniques for analysing Financial Statement.</li> </ol>	<p><b>Assessment Criteria:</b></p> <ol style="list-style-type: none"> <li>1.1 Outline the characteristics of finance</li> <li>1.2 Analyse the tools used in financial decisions</li> <li>1.3 Describe personal finance issues</li> <li>1.4 Define a budgeting, cutting expenses, getting out of debt, saving for retirement and insurance</li> <li>2.1 Explore Time Value of Money analysis</li> <li>2.2 Describe compounding</li> <li>2.3 Be able to describe Present Value (PV), Future Value (FV), annuities and rate of return</li> <li>2.4 Calculate the FV of an investment</li> <li>2.5 Demonstrate how to calculate the time value of money</li> <li>3.1 Understand and be able to construct financial statements</li> <li>3.2 Calculate personal financial ratios</li> <li>3.3 Be able to prepare and interpret financial statements in comparative and common-size form.</li> <li>3.4 Be able to compute and interpret</li> </ol>

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		financial ratios that would be most useful to a common share holder.
	3.5	Be able to compute and interpret financial ratios that would be most useful to a short-term creditor
	3.6	Be able to compute and interpret financial ratios that would be most useful to long-term creditors.
4. Describe household finance issues. Demonstrate how to overcome problems of household finance	4.1	Describe consumer loans
	4.2	Outline consequences and effects of bankruptcy
	4.3	Understand the process of buying a house
	4.4	Explore household expenses
	4.5	Analyse the pros and cons of buying or renting a house
	4.6	Outline the process of selling a home
5. Outline the importance of cashflow planning. Demonstrate planning for short or long-term funding requirements of a business and highlight important forecast cash requirements.	5.1	Explore the goals of cashflow planning
	5.2	Outline reasons of savings
	5.3	Define budgeting
	5.4	Describe liquid assets and how to manage them
	5.5	Illustrate the timing differences between profits and cash flows
	5.6	Outline planning pitfalls when forecasting cash flow
6. Demonstrate how Debt Analysis compare the difference between the monthly income and the monthly amount spend to maintain debt	6.1	Discuss debt strategies
	6.2	Describe advantages and disadvantages of paying cash vs credit
	6.3	Describe implications of credit cards
	6.4	Demonstrate debt to income ratio
7. Define financial investments. Describe non-financial investment categories.	7.1	Define financial and nonfinancial assets
	7.2	Outline reasons for leasing rather than buying
	7.3	Outline the risk vs return investment principles
	7.4	Explore different investment alternatives
	7.5	Understand the basics of financial markets
	7.6	Analyse different health care plans
	7.7	Describe the different financial institutions
	7.8	Outline the Risk Management Framework steps
8. Demonstrate how the Risk Management Framework (RMF) provides a disciplined and structured process that integrates information security and risk management activities into the system development life cycle	8.1	Outline the risk management process
	8.2	Analyse risk management tools
	8.3	Describe the different types of insurance policies
	8.4	Describe the goals and purpose of life insurance
	8.5	Analyse the types of risks insurances cover
9. Outline the goal and process of retirement planning. Demonstrate challenges of domain models addressing the future, uncertainty, volatility, change dynamics.	9.1	Analyse the retirement planning process
	9.2	Explore the types of risks in retirement planning
	9.3	Be able to construct a retirement plan
	9.4	Describe the Monte Carlo method

10. Educational planning policy	10.1 Discuss the cost of education 10.2 Create an educational savings plan
11. Demonstrate tax projection to be able to implement proper tax planning strategies	11.1 Describe different taxes 11.2 Define tax planning 11.3 Understand how taxable income is calculated 11.4 Be able to complete/fine tax forms
12. Describe estate planning solutions	12.1 Identify objectives of estate planning 12.2 Be able to design a <i>will</i> 12.3 Describe the probate process

### **Recommended Learning Resources: Personal Finance**

<b>Text Books</b>	<ul style="list-style-type: none"> <li>• Personal Finance by George Callaghan, Ian Fribbance, Martin Higginson. ISBN-10: 0470028556</li> <li>• An Introduction to Personal Finance by Anne Marie Ward. ISBN-10: 1907214267</li> <li>• Personal Finance by Robert B. Walker. ISBN-10: 0073530654</li> </ul>
<b>Study Manuals</b> 	BCE produced study packs
<b>CD ROM</b> 	Power-point slides
<b>Software</b> 	Microsoft Office