

## Financial Organisations

There are many different places that offer financial services. You could get information about financial products by speaking to parents and family members, teachers, friends or to the financial organisations themselves. Information can also be found online. Just make sure you shop around for what will be best for you.

**Building societies and banks** offer a range of financial services including accounts (e.g. current, savings, business), loans, mortgages, insurance, investments, credit and debit cards, cheques, overdrafts and foreign currency exchange. They make money by lending money at a higher interest rate than they offer to savers, and by charging for certain services.

**Credit unions** are 'not for profit' and are owned and used by their members to save and borrow money, but members may have to live and work in a certain area or be employed by that particular organisation.

**Insurance companies** offer different types of insurance e.g. mortgage, car, house contents, life. Some also offer investment products and pension plans. (For more information about insurance, see Work Sheet WC1 - Insurance.)

**Credit card companies** make, distribute and manage credit cards.

**The Post Office** now offers many financial services similar to a bank or building society, (e.g. savings accounts, foreign currency exchange, credits cards, loans, insurance and business banking services).

**Supermarkets** now offer similar services to building societies and banks, including savings accounts, insurance, credit cards, mortgages and loans. They rely on specialist organisations to do the work for them.

### Different methods of banking include:

**Online or internet banking** lets you access your account information online. You can't withdraw or deposit cash but you can transfer money, check your account balance, apply for a loan or mortgage, pay bills electronically or set up direct debits and standing orders. For security, you are given an account number, PIN (Personal Identification Number) and password, which should never be given out. Nobody should ask you for your security details in full - if they do, it may be a scam!

**Telephone banking** lets you access your account information over the phone, with similar services to online banking. Operators are available at certain times to deal with you personally, but it's usually automated. Again you should not be asked to declare security details in full.

