KnowledgEquity – Digital Finance - FAQs

Table of Contents

Module 1 - FAQs

In Question 1.1, we are asked to outline 4 digital technologies that are re-shaping the finance function. Where does the fourth one come from?

(See 'Question 1.1', pages 4 and 483)

The study guide at this point has stated that there are 3 digital technologies re-shaping the finance function. These are:

- Automation
- Analytics
- AI

The solution also discusses machine learning, which is covered in later modules. This has been noted for update.

Module 2 – FAQs

I'm confused about the difference between money and currency described from Page 75, including Table 2.1 and Figure 2.1.

In everyday life, the terms 'currency' and 'money' are often used interchangeably. However, in Finance, they have technical meanings. It is generally accepted that money is broadly defined in terms of the concepts on Page 75. Currency is generally defined as the physical form of money ie notes and coins. Digital forms of money like e-money are generally not classified as currency because they do not have physical forms. Virtual currencies are not usually defined as money because they fail some of the functions of money!

Using this more common approach to these two terms would NOT include the Digital pathway in Figure 2.1 and the heading for Section 2.2 would be different.

The SG is using the word 'currency' differently, with more of an emphasis on what is used in payments and exchange. Figure 2.1 is telling you how it IS defining currency, which is to include traditional and digital categories. Therefore, you can see it is focusing on traditional methods of payments (the usual definition of currency), digital payments (e-money) and other, new types of exchange such as virtual currencies and cryptocurrencies (which do not meet the definition of money, in fact).

The first sentence under the section "Differences Between Money and Currency" is important! But please disregard Table 2.1, which is not helpful. The Corrections document on the MYOL website also asks candidates to disregard Table 2.1.

Module 3 – FAQs

There are currently no FAQs for these modules

Module 4 – FAQs

Is there an error on page 260 of the Study guide under Example 4.5? It mentions the terms 'state weighted'. Should this be 'stage weighted' as shown in other parts of the Study guide?

Yes. This should be 'Stage weighted'. We have raised this error with CPA Australia and will advise once it is corrected.

Module 5 – FAQs

There are currently no FAQs for these modules