



# Bitcoin Starter Guide

**For Consumers**

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Foundational guide to understanding and using Bitcoin as a payment method in the UK.

## What Bitcoin Is

Bitcoin is a payment network that runs on the internet. It lets you send value to anyone, anywhere, without a bank or payment processor in the middle.

You don't need to understand the technology to use it. But knowing the basics helps.

Bitcoin exists as a ledger of transactions — a record of who sent what to whom. This record is maintained by thousands of computers worldwide, not by any single company or government.

When you own Bitcoin, what you actually hold is a private key — a secret number that proves you control a certain balance on the network. Your wallet app manages this key for you.

### Bitcoin in One Sentence

Bitcoin is digital cash that can be sent globally, 24/7, without permission from a bank or government.

## Wallet Decision Table

	Custodial Wallet	Non-Custodial Wallet
Who holds the keys?	The wallet provider	You
Examples	Cash App, Revolut, Binance, Coinbase	BlueWallet, Wallet of Satoshi, Phoenix, Samurai
Beginner friendly?	Yes	Some are; choose carefully
Can be frozen or restricted?	Yes	No
You're responsible for security?	No	Yes

**Recommendation for most people:** Start with Cash App or Revolut. Both are FCA-regulated in the UK, beginner-friendly, and let you buy bitcoin with a UK bank transfer. When you want more control, move to a non-custodial wallet.

## Your First Payment Journey

1. **Get a wallet.** Download a reputable app. Cash App and Revolut are good starting points.
2. **Buy a small amount of bitcoin.** You don't need a whole bitcoin. Bitcoin is divisible to eight decimal places — the smallest unit is a satoshi (sat), worth roughly £0.0003 at current prices. Buy £10 or £20 worth to start.
3. **Find somewhere that accepts Bitcoin.** Look for the Bitcoin Accepted Here logo in shop windows or on menus. Or check [buywithbitcoin.com](https://buywithbitcoin.com) to find UK merchants.
4. **At the till.** Tell the staff member you want to pay with Bitcoin. They will show you a QR code.
5. **Scan and pay.** Open your wallet app, tap "Scan" or "Pay", and point your phone camera at the QR code. Check the amount on screen matches what you're buying. Confirm.

6. **You're done.** The staff member will see the payment arrive in their wallet. No PIN, no card, no waiting for authorisation from your bank.

## Glossary

Term	Meaning
<b>On-chain</b>	A transaction recorded directly on the Bitcoin blockchain
<b>Lightning</b>	A "layer 2" network built on top of Bitcoin that enables instant, low-fee payments
<b>Wallet</b>	An app or device that holds your private keys and lets you send/receive Bitcoin
<b>SAT (Satoshi)</b>	The smallest unit of Bitcoin — one hundred millionth of a bitcoin (0.00000001 BTC)
<b>TX ID (Transaction ID)</b>	A unique identifier for a specific Bitcoin transaction — like a receipt number
<b>Address</b>	A string of letters and numbers that represents a destination on the Bitcoin network
<b>Private key</b>	The secret code that lets you spend your Bitcoin. Never share this.
<b>Seed phrase</b>	A list of words that can restore your wallet if you lose your device. Keep offline.
<b>Confirmation</b>	When a transaction is added to the Bitcoin blockchain by miners

### UK-First Notes

UK FCA regulation applies to cryptoasset businesses operating in the UK. HMRC treats Bitcoin as an asset for tax purposes. Keep records of every transaction. Most UK Bitcoin spending is done through custodial wallets linked to UK bank accounts.

### → Next Step

Download Cash App or Revolut, buy £10–£20 of bitcoin, and find a merchant near you at [buywithbitcoin.com](https://buywithbitcoin.com)

This document does not constitute financial, tax, legal, or investment advice.

<https://buywithbitcoin.com/>