



Te whai hua - kia ora!

**sorted**  
*in Schools*

US 28100 (version 4)

**Long-term planning**

Develop a plan to show how a budget contributes to achieving a long-term personal financial goal

LEVEL

**3**

CREDITS

**4**

THEMES

Goals  
Saving  
Managing my money

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External and internal factors



# Nau mai haere mai!

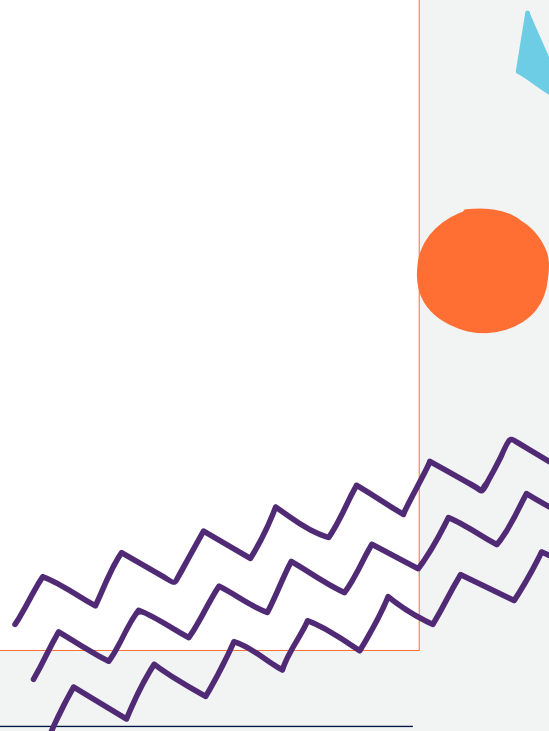
## Welcome to the long-term planning module.

This module will build your understanding to develop a plan to show how a budget contributes to achieving a long-term personal financial goal.

You will be assessed on how well you:

- set a long-term personal financial goal
- describe the elements that contribute to achieving the goal
- develop a budget to achieve the goal
- develop a plan to achieve the goal based on the budget
- identify factors that may affect the achievement of the long-term personal financial goal based on the budget
- explain how the budget contributes to achieving the long-term personal financial goal
- justify how the budget contributes to achieving the long-term personal financial goal

| Evidence/Judgements for Achievement  | Evidence/Judgements for Achievement with Merit  | Evidence/Judgements for Achievement with Excellence   |
|--|---|---|
| <p>You need to:</p> <ul style="list-style-type: none"> <li>• set a long-term personal financial goal and describe the elements that contribute to achieving the goal</li> </ul> <p>Range of elements include:</p> <ul style="list-style-type: none"> <li>o goal definition</li> <li>o information gathering</li> <li>o process to monitor and review</li> <li>o budgeting or investment advice.</li> </ul> <ul style="list-style-type: none"> <li>• develop a budget to achieve the goal</li> </ul> <p>Range of budget include:</p> <ul style="list-style-type: none"> <li>o income</li> <li>o expenses</li> <li>o savings</li> <li>o and a surplus or deficit identified.</li> </ul> <p>Income may include:</p> <ul style="list-style-type: none"> <li>o wages</li> <li>o salary</li> <li>o government financial support</li> <li>o other income.</li> </ul> <ul style="list-style-type: none"> <li>• develop a plan to achieve the goal based on a budget</li> <li>• identify factors that may affect the achievement of a long-term personal financial goal based on a budget.</li> </ul> <p>Factors may be external or internal to the individual.</p> | <p>As well as meeting the requirements for Achievement, you need to:</p> <ul style="list-style-type: none"> <li>• explain how the budget contributes to achieving the long-term personal financial goal.</li> </ul> | <p>As well as meeting the requirements for Merit, you need to:</p> <ul style="list-style-type: none"> <li>• include a justification to show how the budget contributes to achieving the long-term personal financial goal.</li> </ul> |



This module is about developing a plan to show how a budget contributes to achieving a long-term personal financial goal.

In this module you will explore:

- **Topic one:** Personal financial goals
- **Topic two:** Budgets
- **Topic three:** Planning
- **Topic four:** External and internal factors

## Resources

There are lots of useful resources for developing a plan to show how a budget contributes to achieving a long-term personal financial goal.

Sorted in Schools resources that have particular relevance to this module are

- **goals, saving, managing my money powerpoint resources.**

You can find these resources on the **student activities** page of the Sorted in Schools website by clicking on Theme and selecting goals or managing my money from the dropdown menu.

Other useful tools and websites include:

- **Sorted in Schools - Goals resources**
- The **Sorted.org** website also provides information on planning, budgeting and goal setting, **Sorted guide - Planning and budgeting**

**Let's begin to explore.**



# Topic one:

# Personal financial goals

## Learning outcomes for topic one

- ✓ Describe elements that contribute to achieving a long-term personal financial goal

## Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirement of develop a plan to show how a budget contributes to achieving a long-term personal financial goal.

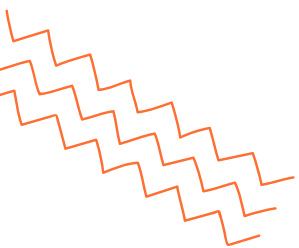
**In this topic, we're going to set a long-term personal financial goal.**

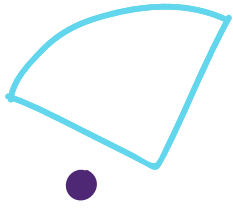
## Assessment tip:



In your assessment, you need to describe the following elements:

- goal definition
- information gathering
- process to monitor and review
- budgeting or investment advice





## What is a long-term personal financial goal?

**Long-term**  
3-5 years

**Personal**  
About you or  
your whānau

**Financial**  
Relating to  
money

**S**

### Specific

Make your goal specific and narrow for more effective planning.



**M**

### Measurable

Make sure your goal and progress are measurable.



**A**

### Achievable

Make sure you can reasonably accomplish your goal within a certain time frame.



**R**

### Relevant

Your goal should align with your values and long-term objectives.



**T**

### Time-based

Set a realistic but ambitious end date to clarify task prioritisation and increase motivation.



## Activities



1) Brainstorm a goal for yourself when you leave school.



2) Checklist:

- Is it long term?
- Is it relating to you or your whānau?
- Is it financial?
- Is it SMART?

3) Choose a goal that ticks the above checklist and write it down.

.....

.....

4) Review the following goal and adjust it to be a long-term personal financial goal. Use the checklist to review the goal.

*I want to buy a car for my girlfriend asap.*

- Is it long term?
- Is it relating to you or your whānau?
- Is it financial?
- Is it SMART?

**Adjusted goal:**

.....

.....

.....





**Gathering information will assist you to achieve your long-term financial goal. If you have a goal to buy a car, you may need to gather the following information:**

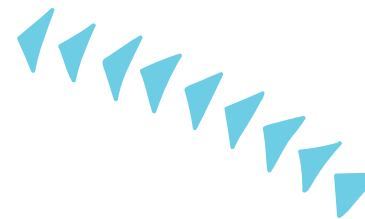
- car make and model
- car price
- car dealers
- fuel consumption
- safety rating
- Warrant of Fitness (WOF)
- registration

If you had a goal to save to pay for university, you may need to gather the following information:

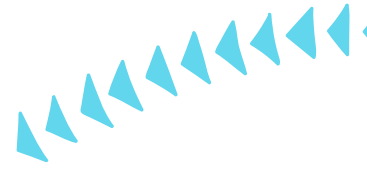
- which bank
- type of bank account
- interest rate
- account conditions
- university course fees
- university course related costs

Monitoring and reviewing your goal is important and adjustments may be required if your goal is not achievable. Compare your budget with your actual income and expenses accounting for changing circumstances and/or goals or priorities. The frequency of the review should suit your individual needs.

There are many places where you can go to for budgeting or investment advice. This will allow the professional to see if your goal is SMART and whether the steps are correct for you to achieve your long-term personal financial goal.



## Activities



**Case Study**  
Trent wants to purchase a house by age 30.

1) What information would Trent need to gather to assist with achieving his goal?

.....  
.....  
.....  
.....  
.....  
.....  
.....  
.....

2) What should Trent do to monitor his goal?

.....  
.....  
.....

3) How often should Trent review his goal?

.....  
.....  
.....

4) Identify which organisations could provide budgeting and savings advice for Trent.

- Whānau
- Bank
- Citizens Advice Bureau
- New World
- MoneyTalks
- Sorted.org.nz
- Lawyers
- Accountants
- Work and Income
- Ministry of Social Development
- Loan sharks
- Financial advisor

**Before moving on to topic two, check that you understand:**

- How to set a long-term personal financial goal
- How to describe the elements that contribute to achieving the goal

# Topic two: Budgets

## Learning outcomes for topic two

- ✓ Understand how to develop a budget to achieve a goal.

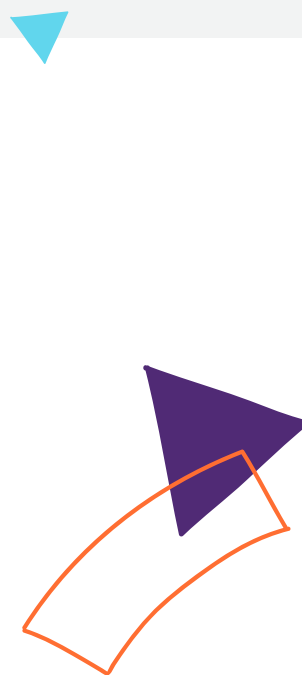
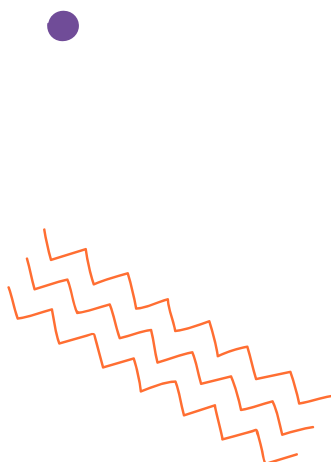
## Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirement of developing a budget to achieve a goal.

## Assessment tip:



In your assessment, you need to identify income, expenses, savings, and a surplus or deficit in a budget.



## Glossary

| Term            | Definition  | Examples   |
|-----------------|---|--|
| <b>Income</b>   | Money coming into your household                    | Wages, salary, government financial support, other   |
| <b>Expenses</b> | Money going out of your household                   | Rent or mortgage, car loans, buy now pay later options, personal loans, credit cards, rates, phone, power, rīanga and subscriptions like Netflix or Spotify (as well as the other things that are easy to forget about - like Uber Eats) |
| <b>Savings</b>  | Money put aside to improve your financial situation |  |
| <b>Surplus</b>  | Money left over                                     | Positive number  |
| <b>Deficit</b>  | Not enough money to cover your spending             | Negative number  |

## The numbers...



Are there 4 weeks in a month? **NO** therefore you must take a monthly figure and convert it to an annual figure and then divide it by 52 to get the weekly figure.



## Check out the Sorted in Schools managing my money infographic.

You can find this infographic on the [student activities](#) page of the Sorted in Schools website. Click on Theme and select Managing my money from the dropdown menu.

## Activities

1) Classify the following as income, expenses or savings:

|                          | Income | Expenses | Savings |
|--------------------------|--------|----------|---------|
| Wages                    |        |          |         |
| Rent                     |        |          |         |
| Insurance                |        |          |         |
| Money to savings account |        |          |         |
| Jobseeker support        |        |          |         |
| WOF and rego             |        |          |         |

2) Calculate into fortnightly amounts (rounded to 2dp):

| Expenses                  | Calculation | Answer |
|---------------------------|-------------|--------|
| Insurances \$2,000 pa     |             |        |
| Phone \$45/month          |             |        |
| Gym membership \$936 pa   |             |        |
| Clothing \$1,200 pa       |             |        |
| Entertainment \$240/month |             |        |

### 3) Prepare a budget for Trent:

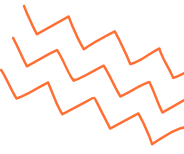
Trent lives in a house with 2 other flatmates. He has a full-time job as a panel beater apprentice (in his second year) and earns \$680 before tax (\$569.45 after tax) in wages per week. The flatmates agreed to share the rent \$140 each per week and split the other costs equally.

Trent's expenses:

- Phone \$4 per week.
- Internet access is on an unlimited usage plan of \$5 per week.
- Power including heating, hot water and cooking \$20 each per week.
- Food costs \$80 each per week.

Trent has a car which he is paying off. The car repayments are \$50 per week. He spends \$30 per week on petrol costs. His car registration requires an annual payment of \$260 (or \$5 per week). Trent has his own cell phone that usually costs him \$9 per week. He spends about \$10 per week on personal items. Trent also spends an average of \$20 per week on clothes. Entertainment is currently \$50 per week with \$20 per week for savings. He has a credit card and he is currently only paying \$100 per week to pay off the debt on it.





| Income (receipts) | Calculations | Answer |
|-------------------|--------------|--------|
|                   |              |        |
| <i>Total</i>      |              |        |

| Expenses (payments) | Calculations | Answer |
|---------------------|--------------|--------|
|                     |              |        |
|                     |              |        |
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|                     |              |        |
| <i>Total</i>        |              |        |

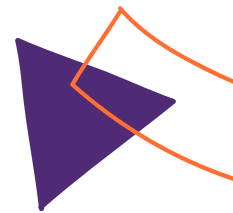
| Savings      |  |  |
|--------------|--|--|
|              |  |  |
| <i>Total</i> |  |  |

| Total budget                                    |  |  |
|---|--|--|
| <b>Surplus / deficit</b> <i>(Cross one out)</i> |  |  |

**Before moving on, check that you understand:**

- How to develop a budget

# Topic three: Planning



## Learning outcomes for topic three

- ✓ Develop a plan to achieve a long-term personal financial plan

## Success criteria

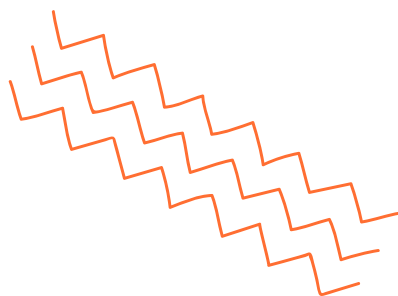
You should complete all activities in this topic. They will help you to meet the assessment requirement of developing a plan to achieve a goal based on a budget.

## Assessment tip:



In your assessment, you need to:

- justify how the budget contributes to achieving the long-term financial goal.





## It is important to outline the specific steps that you will take to achieve your goal.

They will generally include:

- the preparation that you need to do to start implementing your goal
- the specific actions that you need to take

You should cover all the steps that you need to take to achieve your goal.

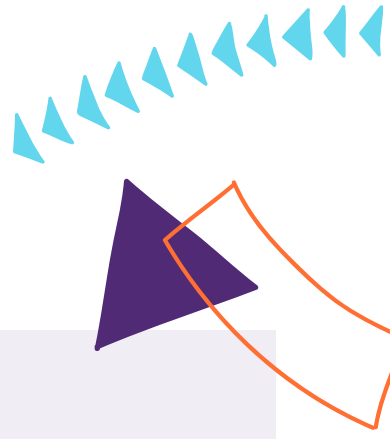


### Activity

#### Trent wants to buy a house by age 30.

- identify how much money Trent currently has in savings
- identify how much money Trent has in KiwiSaver
- find a house average price and determine the deposit required
- create a budget to start saving for the deposit
- choose a savings/term deposit account that will earn high interest
- check progress quarterly by reviewing the budget





**Fill in the blanks to justify how the budget contributes to achieving Trent's long-term goal.**

card   home   broker   entertainment  
savings   budget   interest   estate

Trent can phone his KiwiSaver provider to see how much he has available to be used as his first \_\_\_\_\_ deposit. This would then reduce the amount of savings required for his deposit. He could also talk with a mortgage \_\_\_\_\_ to see which bank would give him the most suitable deal to purchase his house.

Trent could attend open homes with a real \_\_\_\_\_ agent to find a house that he wants and can afford.

By sticking to the \_\_\_\_\_ that he has prepared Trent will be able to use \$20 savings per week to make additional repayments on his credit card. This would reduce the \_\_\_\_\_ costs and the other monthly fees that Trent may have to pay for his credit card. If however, Trent was to reduce his weekly \_\_\_\_\_ and clothes spending, he would have an additional \$70 per week which could be used to either pay off the credit card sooner or put into \_\_\_\_\_ for his house deposit.

Trent needs to investigate with various banks to see which bank has the best interest rate on savings accounts. He should also look at incentives to ensure he does not withdraw any of his savings. It is still important to put some money into savings which can be used for any emergency expenses.

Paying off the credit \_\_\_\_\_ sooner will then enable Trent to achieve his long-term personal financial goal of owning a house by age 30.

# Topic four:

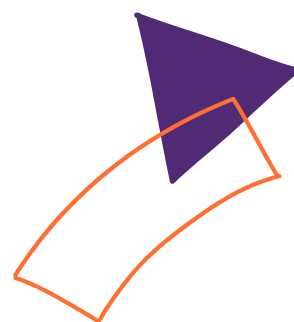
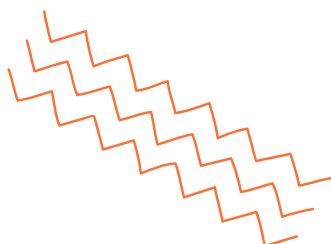
## External and internal factors

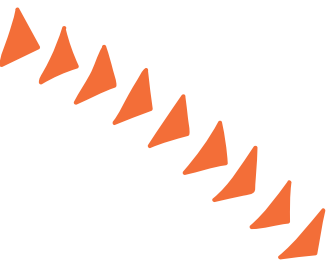
### Learning outcomes for topic four

- ✓ Identify factors that may affect the achievement of a long-term personal financial goal based on a budget

### Success criteria

You should complete all activities in this topic. They will help you to meet the assessment requirement of identifying factors that may affect the achievement of a long-term personal financial goal based on a budget.





**There are many reasons why you may not be able to achieve your long-term personal financial goal and these factors could include:**

- loss of income
- additional spending
- increased costs
- assistance to whānau
- change in circumstances
- death or illness

## Activities

Looking at Trent’s scenario, identify any potential factors that could prevent him from achieving his goal of owning a home by age 30.

*Trent lives in a house with 2 other flatmates. He has a full-time job as a panel beater apprentice and earns weekly wages. His flatmates agree to share the rent and split all other costs equally. He has a car which he is paying off. Trent has his own cell phone and he spends additional money on personal items, clothes and entertainment. He also has a credit card which he pays off weekly.*

**Potential factors:**

.....

.....

.....

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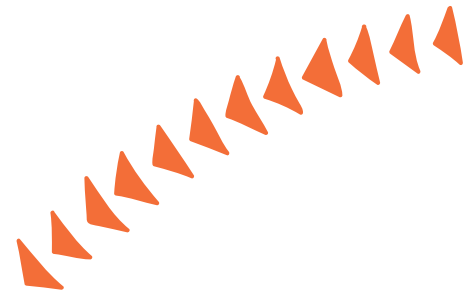
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# Ka pai!



You've completed the module. Use the checklist below to make sure that you are ready for your assessment.

## Checklist for:

**US 28100** Develop a plan to show how a budget contributes to achieving a long-term personal financial goal

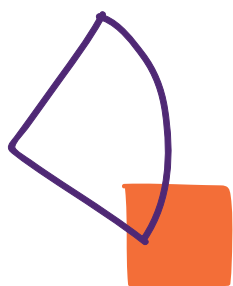
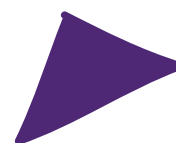
## I can:

- set a personal financial goal and describe the elements that contribute to achieving the goal
- develop a budget
- develop a plan
- identify the factors that may affect the achievement of a long-term personal financial goal



## Reference list

|  |   |
|--|---|
| <b>Glossary</b>  | <a href="https://sortedinschools.org.nz/api/v1.0/download?filename=riding-lifes-waves-glossary&amp;files=2462">sortedinschools.org.nz/api/v1.0/download?filename=riding-lifes-waves-glossary&amp;files=2462</a> |
| <b>Guides page of the Sorted.org.nz website.</b>                   | <a href="https://sorted.org.nz/guides/">sorted.org.nz/guides/</a>   |
| <b>Student activities section of the Sorted in Schools website</b> | <a href="https://sortedinschools.org.nz/students/activities/">sortedinschools.org.nz/students/activities/</a>   |
| <b>Inland Revenue</b>  | <a href="https://www.ird.govt.nz/">https://www.ird.govt.nz/</a>   |
| <b>Ministry of Business Innovation &amp; Employment</b>            | <a href="https://www.mbie.govt.nz/">https://www.mbie.govt.nz/</a>   |
| <b>Work and income</b>   | <a href="https://www.workandincome.govt.nz">https://www.workandincome.govt.nz</a>   |
| <b>Study link</b>  | <a href="https://www.studylink.govt.nz">https://www.studylink.govt.nz</a>   |



Te whai hua - kia ora!



**NCEA Level:** 3 (version 4)

**QAAM Number:** #3201

**Unit Standard:** #28100

**Unit Standard Title:**

Develop a plan to show how a budget contributes to achieving a long-term personal financial goal

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**Notes:**