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## US 28089 Goal Getters



## Student Assessment

**Student name:**

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**NCEA number:**

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**Date (DD/MM/YYYY):**

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LEVEL

1

CREDITS

3

THEMES

Goals  
Saving

# Demonstrate understanding of personal financial goal setting

Version: 3 | Level 1 | Credits: 3

## Assessment activity



This assessment provides an opportunity for you to demonstrate your understanding of personal financial goal setting.

This assessment has **one task**.

You will be assessed on how well you:

- describe a personal financial goal in terms of it being specific, measurable, achievable, realistic and time-bound
- identify the impacts of the financial goal on spending behaviour across the lifespan of the goal
- make changes to a budget that will help to achieve the goal
- explain how changes in spending behaviour can help to achieve the goal
- describe a plan for monitoring, and strategies for maintaining progress towards achieving the personal financial goal
- explain the process for monitoring, and strategies for maintaining progress towards achieving the personal financial goal.

## Award of grades

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>• describe a financial goal as a SMART goal by identifying ways that it is specific, measurable, achievable, realistic and time-bound</li> <li>• identify <b>three</b> aspects of spending behaviour that might be impacted by the financial goal</li> <li>• describe a plan for monitoring and maintaining progress towards the financial goal. The plan needs to include <b>two strategies</b> for maintaining progress.</li> </ul>	<p>As well as meeting the requirements for Achievement, you need to:</p> <ul style="list-style-type: none"> <li>• identify the financial impacts of changing spending behaviours</li> <li>• explain how these impacts can help the financial goal be achieved.</li> </ul>	<p>As well as meeting the requirements for Merit, you need to:</p> <ul style="list-style-type: none"> <li>• justify the processes and strategies used to monitor and maintain progress towards the financial goal.</li> </ul>

## Conditions of assessment

This is an **open book assessment**. Your teacher will let you know what learning materials, work, and resources you can access to help you complete the tasks. Answers must be in your own words.

Your teacher will provide you with information regarding timeframes for this assessment and options for presenting your responses.

## Task

You have been provided with a case study that contains sufficient information to develop a financial goal and a personal budget. **However, in consultation with your teacher, you may set and work towards your own financial goal instead.** If you choose to set your own goal, your financial goal needs to involve a savings plan or payment scheme that can be achieved within 12 months. The financial goal also needs to include ongoing costs, for example, maintenance costs or insurance. Examples of possible options include buying a cell phone, going on holiday or funding a sports or cultural trip.

### Scenario

Aroha is a nursing student at the Waikato Institute of Technology (WINTEC). Next year she will be doing practical nursing placements that might be located anywhere in the Waikato region. These nursing placements may involve late night and early morning shifts.

Aroha wants to buy a car to make it easier to get to her work placements, both for her own personal security and for convenience. She also wants to be able to drive back to visit her whānau who live in Piopio. Aroha is looking forward to the freedom and independence of having her own car and not needing to rely on public transport or friends to get around.

Aroha lives in the WINTEC student village. She pays \$322 per week for rent, electricity, internet and water costs, plus three basic meals each day.

She has a part-time job as a lifeguard at the Waterworld swimming centre. She gets paid \$18.50 per hour and works 10 hours a week, so her regular weekly income is \$185.00 before tax. After tax, she receives \$163.01.

Aroha also gets a student allowance of \$185.73 after tax. If she earns more than \$220 a week, it affects her allowance.

Aroha's parents help her out by paying half of her \$322 per week accommodation and food costs. The hostel has a self-catering option, which costs \$195 per week, and it may be possible for Aroha to switch to this accommodation option next year.

Aroha has been looking at cars on TradeMe. She has \$500 in savings and can probably earn a further \$500 over the summer break. She wants to save around \$1200 in the next 8 months so that she can buy a car before her second year of nursing study starts. After she buys the car, she will also need to cover the cost of third-party insurance and running costs such as petrol and oil. The car should already have a warrant and registration when she buys it, but one or both of these may need to be renewed within the first 6 months.

If Aroha can't raise all the money while she is studying, she can try to get some casual holiday work over the summer. However, there is no guarantee that she will get a job at home in Piopio, so she would rather work out a way to reorganise her existing budget to reach her financial goal. She is prepared to change her accommodation arrangements if necessary.

The following table shows Aroha’s weekly expenses. If you are working towards your own financial goal, you make like to use the [Sorted.org Budgeting Tool](https://sorted.org) to create a budget based on your current situation.

Accommodation at Student Village (including three meals a day, internet, and electricity)	\$322
Transport	\$20
Cafes	\$25
Phone	\$10
Entertainment	\$60
Clothing	\$20
Personal items	\$50

### Question One

Use the table below to identify how Aroha’s personal financial goal is a SMART goal:

Specific	
Measurable	
Achievable	
Realistic	
Time-bound	

## Question Two

Fill in the table to show at least three changes Aroha could make to her budget that would enable her to meet her goal of saving \$1200 in 8 months. Note that 8 months is equal to approximately 35 weeks.

Income	Current income	Potential changes
Wages	163.01	
Student allowance	185.73	
Money from parents for accommodation	161.00	
<b>Total income</b>	<b>\$509.74</b>	
Expenses	Current expenses	Potential changes
Hostel accommodation	\$322	
Transport	\$20	
Cafes	\$25	
Phone	\$10	
Entertainment	\$60	
Clothing	\$20	
Personal items	\$50	
Savings	\$0	
<b>Total expenses</b>	<b>\$507</b>	

### Question Three

- a. Explain **three ways** that the changes you have suggested might impact on Aroha's spending behaviours. Note that impacts can include Aroha's lifestyle choices.

Impact A:

Impact B:

Impact C:

- b. Explain how the changes in spending will enable Aroha to achieve her financial goal. Include some calculations that show how much money Aroha can save or earn as a result of the changes you have suggested. Show how these will help Aroha to achieve her goal of buying a car.

### Question Four

- a. Describe **one way** Aroha could monitor her progress towards her goal.
- b. Justify why doing this will help Aroha achieve her goal.

- c. Provide **two** strategies Aroha might use to maintain progress in achieving her personal goal. For each strategy, justify how it will help Aroha achieve her goal.

Strategy A:

How this strategy can help Aroha achieve her goal:

Strategy B:

How this strategy can help Aroha achieve her goal:

For more help, visit  
[sortedinschools.org.nz](http://sortedinschools.org.nz)

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