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US 28089
Goal Getters



Student Assessment

Student name:

NSN number:

Date (DD/MM/YYYY):

LEVEL

1

CREDITS

3

THEMES

Goals
Saving

NZQA QAAM
3177

Demonstrate knowledge of personal financial goal setting

Version: 4 | 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, and may include a budget
- identify **three** impacts on spending behaviour across the timeframe of the personal financial goal
- describe a plan for monitoring, and maintaining progress towards achieving the personal financial goal
- explain how a personal financial goal can be achieved when spending behaviour changes
- justifying the plan to achieve 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"> • describe a personal financial goal in terms of it being specific, measurable, achievable, realistic and time-bound, and may include a budget. • identify three impacts on spending behaviour across the timeframe of the personal financial goal • describe a plan for monitoring and maintaining progress towards achieving the personal financial goal. | <p>As well as meeting the requirements for Achievement, you need to:</p> <ul style="list-style-type: none"> • explain how a personal financial goal can be achieved when spending behaviour changes. | <p>As well as meeting the requirements for Merit, you need to:</p> <ul style="list-style-type: none"> • justify the plan to achieve the personal financial goal. |

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 typically needs to be characterised by a savings plan or paying off the objective in a timeframe of up to twelve months. The objective will include ongoing cost implications of ownership and/or maintenance and have an impact on other financial commitments, for example: maintenance costs or insurance. Examples of possible objectives include: buying a cell phone, going on holiday, buying concert tickets and funding sports or cultural trips.

Scenario

Ihaka is studying a Bachelor of Teaching at the Auckland University next year. He will be doing placements throughout the four years that might be located anywhere in the region. These Bachelor of Teaching placements may involve late night and early morning starts.

Ihaka wants to buy a car to make it easier to get to his work placements. He also wants to be able to drive back to visit his whānau who live in Piopio. Ihaka is looking forward to the freedom and independence of having his own car and not needing to rely on public transport or friends to get around.

Ihaka lives in the Auckland Halls. He pays \$412 per week for rent, electricity, internet and water costs, plus three basic meals each day.

He has a part-time job as a lifeguard at the Mt Albert Aquatic Centre. He gets paid \$20 per hour and works 10 hours a week, so his regular weekly income is \$200.00 before tax. After tax, he receives \$170.22 due to contributing the minimum to his KiwiSaver.

Ihaka also gets a student allowance of \$185.73 after tax. If he earns more than \$220 a week, it affects his allowance.

Ihaka's parents help him out by paying \$150 per week towards his accommodation and food costs. The hostel has a self-catering option, which costs \$195 per week, and it may be possible for Ihaka to switch to this accommodation option next year.

Ihaka has been looking at cars on TradeMe. He has \$500 in savings and can probably earn a further \$500 over the summer break. He wants to save around \$1,200 in the next 8 months so that he can buy a car before his second year of studying his Bachelor of Teaching starts. After he buys the car, he 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 he buys it, but one or both of these may need to be renewed within the first 6 months.

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

The following table shows Ihaka's expenses. If you are working towards your own financial goal, you make like to use the [Sorted.org Budgeting Tool](#) to create a budget based on your current situation.

| | |
|--|-------|
| Accommodation at Auckland Halls (pays include rent, electricity, internet and water) | \$412 |
| Transport | \$20 |
| Cafes | \$25 |
| Phone | \$10 |
| Entertainment | \$60 |
| Clothing | \$20 |
| Personal items | \$50 |

Question One

a) Use the table below to identify how Ihaka's personal financial goal is a SMART goal:

| | |
|------------|--|
| Specific | |
| Measurable | |
| Achievable | |
| Realistic | |
| Time-bound | |

b) Describe Ihaka's personal financial goal.

Question Two

- a) Fill in the table to show at least three changes lhaka could make to his spending behaviour that would enable him to meet his goal of saving \$1,200 in 8 months. Note that 8 months is equal to approximately 35 weeks.

| Income | Current income | Potential changes |
|--------------------------------------|------------------|-------------------|
| Wages | \$170.22 | |
| Student allowance | \$185.73 | |
| Money from parents for accommodation | \$150.00 | |
| Total income | \$505.95 | |
| Expenses | Current expenses | Potential changes |
| Accommodation | \$412.00 | |
| Transport | \$20.00 | |
| Cafes | \$25.00 | |
| Phone | \$10.00 | |
| Entertainment | \$60.00 | |
| Clothing | \$20.00 | |
| Personal items | \$50.00 | |
| Savings | \$0.00 | |
| Total expenses | \$597.00 | |

- b) Explain how the **three** changes you have suggested might impact on lhaka's goal.

Change 1:

Change 2:

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