

Title	Produce a household budget, set a financial goal and review and adjust the budget to achieve the goal		
Level	2	Credits	3

Purpose	People credited with this unit standard are able to produce a household budget, set a financial goal and review and adjust the budget to achieve the goal
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Classification	Core Generic > Financial Capability
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Available grade	Achieved, Merit, and Excellence
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Criteria for Merit	The adjusted household budget for Merit includes an explanation of the adjustments needed to achieve the financial goal.
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Criteria for Excellence	The adjusted household budget for Excellence includes justification of the adjustments needed to achieve the financial goal.
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Guidance Information

- 1 This unit standard can be awarded with *Achieved*, *Merit*, or *Excellence*. For the *Achieved* grade to be awarded, the outcome must be achieved as specified in the outcome statement. For *Merit* or *Excellence* to be awarded, the candidate must meet the *Merit* or *Excellence* criteria specified above.

Assessment may be based on a case study or simulation, but where the candidate’s real situation is used, every care must be taken to protect privacy, and the provisions of the Privacy Act 2020 will apply.

- 2 Definitions

A *household budget* is prepared for a situation that is typically characterised by:

- relevance to a group of people sharing the same household finances
- need to consider different goals and priorities
- multiple expenses including accommodation, food, utilities, clothing.

Attachment orders tell an employer or Ministry of Social Development (MSD) to transfer money from wages or a benefit to pay infringements or pay off a debt.

Take home pay refers to pay received after deductions for income tax, which may also include KiwiSaver, student loan repayments, union or association fees, attachment orders.

3 References

Inland Revenue, available at <https://www.ird.govt.nz/>;

Ministry of Business Innovation & Employment, available at <https://www.mbie.govt.nz/>;

Sorted: Your Independent Money Guide, available at <https://www.sorted.org.nz/>;

Work and Income, available at <https://www.workandincome.govt.nz/>;

StudyLink, available at <https://www.studylink.govt.nz/>.

Outcomes and performance criteria

Outcome 1

Produce a household budget, set a financial goal and review and adjust the budget to achieve the financial goal.

Performance criteria

1.1 A financial goal is set.

1.2 A household budget is produced.

Range income – take home pay, other income;
expenses – fixed or regular, variable or irregular; needs, wants,
savings surplus, deficit.

1.3 The household budget is reviewed and adjusted to achieve the financial goal.

Range review includes – comparing budget with actual income and
expenses, inclusion of an emergency fund for unexpected
expenses;
evidence of two changes to the household budget is required.

1.4 The frequency of review and adjustments to the budget are explained in terms of how they meet the financial goal.

Planned review date	31 December 2025
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	12 December 2013	31 December 2018
Revision	2	21 May 2015	31 December 2018
Review	3	21 July 2016	31 December 2022
Review	4	29 July 2021	N/A

Consent and Moderation Requirements (CMR) reference	0226
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This CMR can be accessed at <https://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact NZQA National Qualifications Services nqs@nzqa.govt.nz if you wish to suggest changes to the content of this unit standard.