

Title	Develop a plan using a budget to achieve a long-term personal financial goal		
Level	3	Credits	4

Purpose	People credited with this unit standard are able to develop a plan using a budget to achieve a long-term personal financial goal.
----------------	---

Classification	Core Generic > Financial Capability
-----------------------	-------------------------------------

Available grade	Achieved, Merit, and Excellence
------------------------	---------------------------------

Criteria for Merit	The elements of a plan are explained to show how a budget contributes to achieving a long-term personal financial goal.
---------------------------	---

Criteria for Excellence	The plan includes a justification for strategies that use a budget to contribute to achieving a long-term personal financial goal.
--------------------------------	--

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.
- 2 Definitions
Asset protection may refer to strategies such as – wills, insurances, other due diligence to reduce risk.
Budget includes income and expenses and includes steps to monitor/review its accuracy over time.
Financial tools refer to – online calculators, budget, cash flow, money management software.
Long term refers to longer than three years.
Long-term personal financial goal could be – car paid off by age 25, tertiary study, student loan repaid by 35, build a house by age 45, mortgage free by age 50.
Review refers to – frequency of review, comparing budget with actual income and expenses, changing circumstances and/or goals or priorities.,.
- 3 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.

4 References

Inland Revenue – <https://www.ird.govt.nz/>;

Ministry of Business Innovation and Employment – <https://www.mbie.govt.nz/>;

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

Work and Income – <https://www.workandincome.govt.nz/>;

StudyLink – <http://www.studylink.govt.nz/>.

Outcomes and performance criteria

Outcome 1

Develop a plan using a budget to achieve a long-term personal financial goal.

Performance criteria

1.1 Develop a budget for an individual's financial circumstances.

Range income, expenses and savings are in the budget and a surplus/deficit identified.
income may include – wages, salary, government financial support, other income.

1.2 Elements to achieve a long-term personal financial goal are described to show how they contribute to meeting the goal.

Range elements include – goal definition and setting, information gathering, actions to achieve, process to monitor and review, financial tools, asset protection, budgeting and/or investment advice.

1.3 Factors that may affect the achievement of a long-term personal financial goal are identified in terms of an individual and their lifestyle.

1.4 Strategies to manage the impact of factors identified in 1.3 are described to show how they contribute to meeting the long term personal financial goal.

Planned review date	31 December 2025
----------------------------	------------------

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	31 December 2020	

Consent and Moderation Requirements (CMR) reference	0226
--	------

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.

DRAFT