

Title	Develop a plan to show how a budget contributes to achieving a long-term personal financial goal		
Level	3	Credits	4

Purpose	People credited with this unit standard are able to develop a plan to show how a budget contributes to achieving a long-term personal financial 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 elements of a plan for Merit are explained to show how a budget contributes to achieving a long-term personal financial goal.
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Criteria for Excellence	The plan for Excellence includes a justification to show how a budget contributes to achieving a long-term personal 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 A long-term personal financial goal may include paying off car purchase by age 25, funding tertiary study, repaying student loan by 35, building a house by age 45, being mortgage free by age 50.
- 3 **Definitions**
Long-term refers to longer than three years.
Personal refers to an individual, whānau or family unit rather than an iwi, group, business or organisation.
Monitor and review refers to the frequency of a process that compares budgeted and actual income and expenses, and accounts for changing circumstances and/or goals or priorities.

4 References

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

Ministry of Business Innovation and 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 <http://www.studylink.govt.nz/>.

Outcomes and performance criteria

Outcome 1

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

Performance criteria

1.1 A long-term personal financial goal is set and the elements that contribute to achieving the goal are described.

Range elements include – goal definition, information gathering, process to monitor and review, budgeting or investment advice.

1.2 A budget to achieve the goal is developed.

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

1.3 A plan to achieve the goal based on a budget is developed.

1.4 Factors that may affect the achievement of a long-term personal financial goal based on a budget are identified.

Range factors may be external or internal to the individual.

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.