

# Schools 2016 -Financial Capability Unit Standards

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Unit ID	Title	Level	Credit	OC ID	Outcome	ER Id	Evidence Requirement	
24697	<b>Perform income-related calculations for personal financial management</b>	1	1	1	Calculate gross income for personal financial management.	1.1	Conversion methods used to calculate income are explained.	
					Range From annual income to each of – monthly, fortnightly, weekly, hourly rate; From hourly rate to each of – annual, monthly, fortnightly, weekly income.	1.2	Gross income is calculated accurately using conversion	
					2	Describe factors that affect net pay.	2.1	Factors that affect net pay are described in terms of whether net pay increases or decreases
					3	Determine accuracy of net pay given relevant information for personal financial management.	3.1	Appropriate tax deductions are identified from tax tables
					Range factors include but are not limited to – income tax rates, KiwiSaver deductions, student loan repayments, union or association fees, allowances, overtime, statutory allowances, attachment orders.	3.2	The correct and incorrect net pay figures are identified from calculations.	
					Range accuracy of net pay figures is determined for six given scenarios; scenarios will be based on a mixture of weekly, fortnightly, monthly, or annual net pay figures and given hourly or annual gross pay figures; given net pay figures will be incorrect in three of the scenarios; income tax rates, student loan repayment criteria, and KiwiSaver deductions stated in the scenarios must be current	3.3	The correct net pay is calculated for the three scenarios with incorrect net pay figures	
A								
24705	<b>Interpret financial documents and verify accuracy of financial documents for personal financial management</b>	1	2	1	Interpret financial documents for personal financial management.	1.1	Each financial document is interpreted to identify its purpose, sender/originator, contact details, and other information.	
					Range financial documents may include – cash register receipt, EFTPOS vouchers, payslip, invoice or statement for a common utility, credit card statement, bank statement; evidence relating to four different types of financial documents is required.	Range other information may include, as relevant to the financial document – due date, opening and closing balances, date or date range, transactions, amount payable, payment method, gross and net pay, interest rate, fees, penalties, accessing support, queries.		
					2	Verify accuracy of financial documents, and describe actions required to correct inaccuracies	2.1	Key information on financial documents is reconciled with personal records to verify accuracy and legitimacy.
						Range eight scenarios are to be verified – one scenario that is correct and one scenario that is incorrect, for each financial document.		
						2.2	Actions required to correct inaccuracies are described.	
						Range inaccuracies to be corrected may include – factual information, legitimacy of document; actions required includes – query with issuer, register a complaint.		

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24709  A	<b>Produce a balanced budget to manage personal finances</b>	1	3	1	Demonstrate knowledge of budgeting terms, processes, and services to manage personal finances	1.1	Terms are explained in relation to their relevance to personal budgeting. Range fixed, variable, mixed; needs, wants and/or aspirations; receipts, payments; regular, irregular; draft budget, balanced budget; disposable income.					
						1.2	Budget format is described in terms of its purpose and utility. Range budget format may include – weekly income, weekly spending, monthly spending, annual spending, budget calculation					
						1.3	Steps in developing and monitoring a budget are identified in terms of their purpose					
									2	Produce a balanced budget to manage personal finances.	1.4	The individual's goals and priorities are described in terms of their significance for a budget.
											1.5	Services available to help people balance personal budgets are identified
											2.1	Provision is made in the budget for all receipts and payments are in a specified timeframe. Range receipts may include – wages, salary, government benefits, other income; payments may include – spending, saving.
2.2	Receipts and payments are balanced in the budget											
28088  AME	<b>Demonstrate understanding of manageable and unmanageable credit and debt</b>	1	3	1	Demonstrate understanding of manageable and unmanageable credit and debt. Range purpose of credit, use of credit, types of credit, credit considerations, key information, credit providers, debt	1.1	Manageable and unmanageable credit and debt are described in relation to personal financial implications. Range personal financial implications may include – future events, future choices; long term and short term, taxes, interest payments, tax penalties, credit rating					
24695  A	<b>Explain taxation and other deductions relating to personal income</b>	2	2	1	Explain taxation and other deductions relating to personal income	1.1	Taxation is explained in terms of links with different sources of personal income. Range Pay As You Earn (PAYE), Resident Withholding Tax (RWT), Provisional Tax, Terminal Tax; sources of income include - salary or wages, interest, government superannuation, one other government benefit; and two of - commission, royalties, dividends, fees/payment for a contract, rent, board, private superannuation, ACC.					
						1.2	The requirement to pay tax is explained with reference to legislation					
						1.3	Other deductions are explained in relation to personal income. Range other deductions include - KiwiSaver or other superannuation scheme, student loan repayments, union fees, voluntary donations, enforced deductions.					
						1.4	Tax codes are identified in terms of the sources of income.					

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24699  A	<b>Make an informed decision relating to personal income and explain its consequences</b>	2	2	1	Make an informed decision relating to personal income. Range decision will be in the context of a life stage and may be consequent on and/or affect a significant life event; significant life events may include – travel, employment interruption or change, relationship change, having a child, changing roles within the family, serious accident, serious illness, financial windfall	1.1	Relevant personal goals are identified. Range goals may be financial, social, lifestyle, career, and can be related; goals must be SMART. (Specific, Measurable, Achievable, Realistic, Timebound) or meet equivalent criteria; evidence relating to a minimum of three goals is required
						1.2	Information is assembled which is relevant to the identified personal goals
						1.3	Income-related options are identified that may contribute to the achievement of the goals. Range options may include - further education, change of job or career, change of personal habits, changes to consumption priorities, saving over spending
						1.4	The option with the most potential to achieve and/or contribute to the goals is identified and the reasons for selecting that option are explained
				2	Explain consequences of a decision relating to personal income.	2.1	Consequences of the decision are identified and potential impacts are explained. Range consequences – positive and negative; impact – on individual and others, present and future, financial and non-financial.
28092  AME	<b>Analyse the effect of significant life events at different life stages on personal financial income</b>	2	3	1	Analyse the effect of significant life events at different life stages on personal financial income. Range life stages may include – secondary education, tertiary education, industry training, early employment, mid-career employment, and retirement; evidence relating to three different life stages is required	1.1	Income source(s) for the life stage are identified and the reasons sources of income change and consequences of the change are explained in terms of the life stage
						1.2	A significant life event during the life stage is analysed in terms of its effect on income source(s) and potential solutions to minimise/maximise the effect on personal financial income are explained. Range significant life event may include - going flatting, studying, starting work, travel, employment interruption or change, relationship change, getting a fine, separation, redundancy, having a child, raising a family, buying a first home, changing roles within the family, serious accident, serious illness, losing your partner, living in retirement, moving to a retirement village, financial windfalls
28093  AME	<b>Describe the future financial responsibilities of utilising tertiary study funding options</b>	2	3	1	Describe the future financial responsibilities of utilising tertiary study funding options. Range tertiary study funding options include – student loan, one other funding option	1.1	Funding options for tertiary study are described and compared in terms of their key factors. Range key factors include – criteria for eligibility, components of tertiary study costs, advantages, disadvantages.

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						1.2	Potential consequences of the funding options are described and compared in terms of an individual's financial responsibilities and choices. Range short and long term
28094	<b>Produce a balanced budget and adjust the budget to reflect changing financial circumstances</b>	2	3	1	Produce a balanced budget and adjust the budget to reflect changing financial circumstances	1.1	A balanced household budget is produced to show current financial circumstances
AME						1.2	Household budget is reviewed and adjusted to reflect changing financial circumstances. Range review includes – frequency of reviews, comparing budget with actual receipts and payments; changing financial circumstances may include changes in goals and/or priorities; evidence of two changes to financial circumstances is required.
						1.3	The adjustments to the budget are explained in terms of how they meet the needs of the household's changing financial circumstances.
28095	<b>Analyse personal financial investment opportunities</b>	2	3	1	Analyse personal financial investment opportunities. Range investment opportunities may include - term deposits, debentures, property, shares, business ownership, managed funds, bonds, KiwiSaver; evidence relating to three is required	1.1	Investment opportunities for an individual investment profile are analysed and compared in terms of their features. Range features include – advantages and disadvantages, costs, term, security, deposit and/or contribution options, direct and indirect investment, risks and returns.
AME							
28097	<b>Evaluate and select personal banking products and services in relation to personal financial needs</b>	2	3	1	Evaluate and select personal banking products and services in relation to personal financial needs. Range six banking products and services.	1.1	Banking products and services are described and compared in relation to costs and benefits, fees and charges, access mechanisms and security
AME						1.2	Preferred banking products and services are selected in terms of suitability to personal financial needs