

**Note for parents:** This activity is designed to introduce young people to the idea of planning their finances in advance. Ask your young person to read the information on this sheet, completing the tasks as they go.

## FINANCIAL PLANNING TO ACHIEVE GOALS IN LIFE

### Ages 14-16

#### Activity Idea

Consider the following question:

#### What life goals might you need to plan your finances for?

Make a list of these goals and decide whether they are likely to happen in the **short-term** or the **long-term**. Talk through your ideas with your family and/or friends, asking them to share their own experiences too. Goals might include:

Short-term	Long-term
Holiday	Further education e.g. college, training, university
Gifts	Car
Bike	House/flat

Now think about which goals you might need to **save up towards**, and which goals you might need to **borrow** money for. Remember that:

- **Short-term goals** may require you to save and/or borrow but usually involve smaller sums of money and are for events that will happen within a relatively short time frame e.g. within the next 12 months.
- **Longer term goals** may also require you to save and/or borrow but usually involve larger sums of money (perhaps an unknown sum) to begin with and are events that you are planning for well into the future, maybe even into old age!

Plot **5** of your own financial goals on a sheet of paper. Be creative with how you display your goals – for example, you may choose to use a ladder, a timeline etc. Choose a way that makes the most visual sense to you.

Now think about some events that might happen that could kick your finances off course – either positively or negatively – and write these down. Examples could include a wedding, winning money, losing your job, having children, scholarship etc.

Have a look at the following four headings:

Savings	Family and friends	Borrowing	Insurance
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Decide which option might be the best solution for the different unexpected circumstances you have listed – you may have more than one option as a possible solution.



**All of the options; savings, family and friends, borrowing and insurance, can provide temporary, short term solutions some of the time but cannot always be relied on.**

**Financial planning is really important and, ideally, we need to have a range of financial solutions set in place including savings, insurance policies and loans.**