

Financial Planning

Suggested teaching time : 40 minutes

Learning objectives

1. Establish financial plans to achieve short-term financial goals and meet expected expenses
2. Establish long-term financial goals
3. Understand the relationship between financial plans and budgets

Teaching suggestions

Key teaching points	Concepts / Knowledge / Values / Attitudes
The importance of setting financial goals	<p>Concepts / Knowledge</p> <ul style="list-style-type: none"> • Financial needs in different life stages • Different kinds of financial goals <p>Values / Attitudes</p> <ul style="list-style-type: none"> • Understand the importance of setting life and financial goals early • Apply the principle of goal setting (i.e. "SMART" principle) to set financial goals
Achieve financial goals by financial planning	<p>Concepts / Knowledge</p> <ul style="list-style-type: none"> • Factors to be considered in financial planning <p>Values / Attitudes</p> <ul style="list-style-type: none"> • Use a budget to save to ensure the financial plan could be executed • Understand developing the habit of creating a financial plan will help achieve long-term financial goals in the future.

Teaching activities	Teaching resources	Duration
<p>Explanation</p> <p>Explain the following according to the teaching Powerpoint:</p> <ul style="list-style-type: none"> • Set life and financial goals earlier • Classification of financial goals (short-term/medium-term/long-term) and their characteristics • Factors to consider in financial planning • Medium-term financial goals and plans • The relationship between financial plans and budgets • Long-term financial goals <p>Teachers can advise students to save a certain amount of money from their pocket money before spending to ensure their financial plan goes smoothly.</p>	Teaching Powerpoint P.1-15	10 mins

Activity 1 Teachers guide students to think about the different life stages and the financial goals for each stage.	Teaching Powerpoint P.16-18 Worksheet P.1	5 mins
Activity 2 Divide the class into groups of four students each to discuss separately the financial plans of the two families on the worksheets and play different roles in the families: 1. Buying a TV (either play as Man Kit or Siu Fong and try to persuade other groupmates to accept his/her plan) 2. Travelling to Europe (either play as Mr. Yeung or Mrs. Yeung and try to persuade other groupmates to accept his/her plan) After the group discussion is completed, different groups can send representatives to report their conclusions. Teachers can give advice based on suggested answers on the worksheet. Teachers are suggested to remind students: <ul style="list-style-type: none"> • Specific savings goals and approaches are needed for financial plans to be achieved easily. • Both high-income families and low-income families need to have financial plans 	Teaching Powerpoint P.19-25 Worksheets P.2-4	20 mins
Summary <ul style="list-style-type: none"> • Financial planning can help people achieve short-term, medium-term and long-term financial goals. • Saving plans and budgeting are essential elements for financial planning. • Develop a habit of saving from young age to prevent living from paycheck to paycheck after started working. • We should allocate a certain amount of money for saving after receiving pocket money to avoid excessive consumption. 	Teaching Powerpoint P.26 Worksheet P.4	5 mins
Extension activity <ul style="list-style-type: none"> • Instruct students to interview their family members to learn about their short-term/medium-term goals and list various household income and expenses in the budget summary. • Upon completion, ask them to report verbally to review whether the short-term/medium-term goals are feasible and how they can be achieved. 	Teaching Powerpoint P.27-28 Worksheet P.5	

Reference information

The groups of people who lack financial planning

Moonlight clans: People who spend all their money every month and do not have a saving habit. In general, moonlight clans are usually young people who like catching up with the trend and spend a lot on consumption.

Not in Education, Employment, or Training (NEET): Those who are still unwilling to work at working age and are financially dependent (entirely or partially) on their parents.

How to avoid becoming a member of the above groups?

- Learn how to prepare a personal budget
- Set financial plans earlier
- Avoid excessive consumption
- Increase income sources

Reference websites

The Chin Family-- Saving for the future

<https://www.thechinfamily.hk/web/tc/managing-your-money/savings.html>

The Chin Family-- Getting started

<http://www.thechinfamily.hk/web/tc/managing-your-money/financial-planning/getting-started.html>

Course links

Business, Accounting and Financial Studies Financial Management: Budget

Life and Society Finance Management, be the master of money