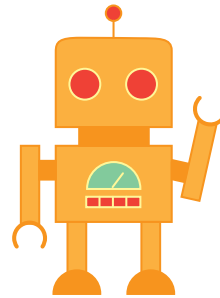


Goal Setting



Better Set a Budget

I'm so excited! There's a Science, Technology, Engineering, and Mathematics (STEM) fair and competition in 10 weeks, and I've decided to design, build and programme a robot that can build other robots! How cool is that? I'll definitely win the gold medal! I shopped around, and the parts will cost me £140.



I went over to Grandad's house so he could check my design and give me advice on raising the money I need. But he didn't want to talk about money first. He wanted to start with my goal. He said that people and businesses often use a process called **SMART goals** to make decisions. Goals need to be **Specific**, **Measurable** (meaning there's a way to tell if you've succeeded or failed), **Achievable** (meaning doable), **Relevant** (meaning appropriate or appropriate for your current lifestyle) and **Time-specific** (meaning there's a deadline).

LESSON 1

Goal Setting helps kids envision why they are saving and what they are saving for—and creating goals is the essential first step towards money confidence.

Specific

Your goal is clearly defined and states exactly what you are going to achieve.

Measurable

Track your progress and know when your goal is met.

Achievable

Your goal challenges you but is also something realistic.

Relevant

Your goal is connected to what is valuable and important to you.

Time-specific

Your goal includes a date you will have achieved it by.



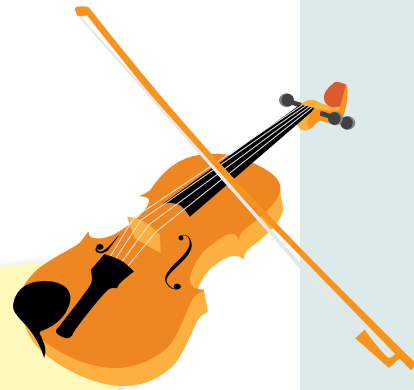
Secondary School

Secondary School,
Year Seven

To check the 'Achievable' part of the SMART goals test, Grandad helped me work out whether I could pay for the parts I'd need for my robot. Here's a list of my weekly **income**, **expenses** and **savings**:

- My pocket money is £7 each week.
- I wash the car every week and get paid £10.
- I buy a £1 bag of crisps every day at school.
- I spend £4 per week on new apps for my phone.
- I give £8 to Mum to pay for part of my violin lessons.

Grandad and I added up my weekly income and expenses:



NIKKI'S INCOME & EXPENSES

INCOME		EXPENSES	
Pocket Money	£7	Snacks	£5
Car Washing	£10	Phone Apps	£4
	<u>£17</u>	Violin Lessons	<u>£8</u>
			£17

Income (£17) - Expenses (£17) = Nothing left for the STEM competition!



Grandad said I could save up the money I need by increasing my income and cutting my expenses. Then I should write down my new plan—my **budget**—to make sure I stick to it.



WHAT'S THE Big Plan?

Income - Expenses = Savings.
 Preparing and following a budget can help you increase your income, reduce your expenses, and end up with more savings.