

PROJECT: GET IT DONE TOGETHER

MODULE 2: Money — Budget it!

Session Objectives

1. To introduce the concept of financial planning
2. Differentiate between NEEDS and WANTS
3. Identify your own NEEDS and WANTS

In the first module we learned about earning money. We said that the money we earn comes as INCOME and in the cash flow diagram, it represents the money coming in or CASH INFLOW. In our journal, these are recorded under CREDIT. Now, we will begin to talk about the things we spend for or our EXPENSES. The money we spend to pay for these expenses are the significant money that flows out or the CASH OUTFLOW. In the journal, these are recorded under DEBIT. In order to manage well the money coming and going in our lives, we need to do FINANCIAL PLANNING.

What do you think FINANCIAL PLANNING is about?

Essentially it is “a process of setting goals, developing a plan to achieve them and putting the plan into action.” (Source: Consortium from the National Endowment for Financial Education High School Financial Planning Program)

This module will make you go through exercises on the different aspects of financial planning. To begin and since a significant part of our financial resources are used to pay for the things we buy. It is important to first check if what we spend for is truly necessary.

Activity 1: My Own Needs and Wants

Instructions: Part 1

What are NEEDS and what are WANTS. What is the difference between the two? Give examples for each. NEEDS refer to the basic necessities of life without which we will not survive. Examples are air, food, water. WANTS refer to things we desire but we can essentially live without. Examples are luxury cars, mansions, and fancy food.

NEEDS	WANTS



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Activity 1: My Own Needs and Wants

Instructions: Part 2

In the previous module, we were also able to articulate the goals you have for the short-term, mid-term and long-term. Reflect on what will comprise your list of NEEDS and WANTS in these different phases knowing what you end goals are for each phase.

PART 1: My Current Needs and Wants (within the year)	
NEEDS	WANTS

PART 2: My Needs and Wants	
SHORT TERM GOALS (HIGH SCHOOL)	
NEEDS	WANTS

MID-TERM GOALS (COLLEGE)	
NEEDS	WANTS

LONG-TERM GOALS (AFTER COLLEGE)	
NEEDS	WANTS

