



Goals \$orted

Targets to shoot for

- Setting our sights
- Putting it in writing
- Taking actions to reach them

Setting our sights

Goal-setting is all about deciding how we are going to use our money in the future. It helps us focus and achieve the things we want in life.

We all tend to underestimate what we can achieve in the long term. Setting goals can help!

Goals can be small or large. It's good to have a few spread over the short, medium and long terms.

Financial goals can be to:

- Pay off a credit card in six months
- Save for a family holiday next year
- Buy a house in five years' time
- Build a nest egg for retirement

The important thing is to give each goal a timeframe and a dollar figure. We can achieve so much more than we realise!

Financial goals are often about paying off debt or saving and investing:

- High-interest debt (e.g. credit card or car loan) is a priority to be paid off.
- For mortgage holders, a key goal could be to save interest by paying off that loan faster.

- Saving three months' worth of expenses for an emergency fund will help when something unexpected happens.
- The earlier we start investing for retirement the better. Even small amounts invested every week or month add up to hundreds of thousands of dollars in the long run.



Goals worksheet

6-month goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

12-month goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

Goals worksheet



2-year goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

10-year goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

5-year goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

Retirement goal

My goal is to:

By: / /

It will cost:

\$

My action - to achieve this goal I will:

By: / /

I'll look at my goals again:

On: / /

Sean gets specific

Sean is 35 and lives in Feilding with his wife Sandy and 10-year-old daughter. His main financial goal is to pay off his hire purchase and other small debts.

Sean and Sandy are both working, but Sean says it's a struggle just to save a small amount each week. Sean knows paying off these debts will make things easier.

Sean has used sorted.org.nz a lot over the past couple of years.

Before he visited the website, he said their finances were "a bit loose". With the help of Sorted, Sean and Sandy have now got more control of their finances.

Sean and Sandy planned their actions very carefully to help them achieve their goals.

Sean wrote down exactly how much they would pay off on their hire purchase each week.

He also calculated when the hire purchase and other debts will be paid off. Once this goal has been reached, Sean and Sandy will be able to save that extra money.

Later Sean wants to save an emergency fund so that his family has enough to live on for two or three months. In 10 years' time, Sean and Sandy want to have saved enough money to help their daughter pay for tertiary study or get a deposit for her first home.



Putting it in writing

The worksheet inside this booklet will help with getting those goals down in writing and the action needed to reach them.

Goals

Each goal needs to be specific, achievable and have a target date.

- Set some big goals – like owning a house in the next five years or investing for retirement.
- Set some smaller goals – like saving for a car or paying off credit cards.

Actions

Actions are the steps we take to reach our goals. The actions can be big or small, but they should always get us closer to what we want. We can decide a date to finish each action by, and stick to it.

For example, if a goal is to save for a house deposit, an action could be to open a savings account by next payday and save \$50 a week into that new account.

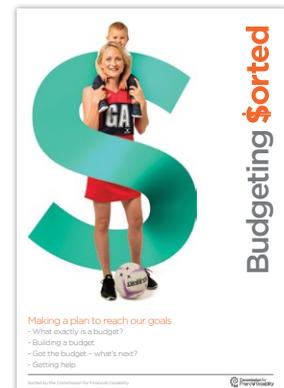
If a goal is to invest for retirement, an action might be to choose a KiwiSaver fund that suits our situation.

We can set goals as a couple or family as well. In six months or after a year, let's review our goals and see how we got on. And when we achieve a goal, let's celebrate! Then we can set new ones – as long as they're not too over-reaching.

Time for a budget

With our goals set, we can work out a budget to free up money to put towards them.

- See the budgeting booklet.
- There's also the budgeting tool on sorted.org.nz.



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Where to now?

Write down more goals for the short, medium and long term?

Set actions to achieve them?

Make a date to review how we're tracking?

Next steps:

e.g. make a plan for our money using Sorted's budgeting tool



Notes:

For more help, order our Sorted booklets at sorted.org.nz/order-sorted-resources.