



Australian Government

FNSFLT202 Develop and use a savings plan

Release: 1

FNSFLT202 Develop and use a savings plan

Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to develop and implement a savings plan to achieve identified goals and includes understanding the role of the savings plan, the risk/return relationship and how to determine appropriate savings vehicles to maximise savings. It has wide application and may be used in workplaces, schools, adult and community learning organisations or registered training organisations to build the financial literacy of learners. The unit may also be used as part of pre-vocational or new apprenticeship programs, or as part of services provided by counselling or advisory organisations.

It applies to individuals who use new ideas and techniques to develop personal financial literacy skills.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Unit Sector

Financial literacy

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Discuss place of saving and investing today	1.1 Discuss impact of increasingly high cost of living in western society, using examples from domestic environment 1.2 Discuss increasing levels of consumer debt in Australia with reference to current issues 1.3 Identify and discuss importance of setting financial goals and developing a saving and investment plan at different stages of an individual's life 1.4 Identify and discuss different attitudes to savings and

ELEMENT	PERFORMANCE CRITERIA
	investment and explore own spending habits
2. Understand risk as it relates to saving and investing	2.1 Use examples to explain concept of risk and risk versus return 2.2 Determine individual's risk profile based on current and future requirements and individual's level of risk aversion 2.3 Identify, assess and discuss impact of inflation on earnings power of money
3. Develop own savings plan	3.1 Identify personal savings goals, quantify into dollar amounts and arrange in order of priority 3.2 Develop personal budget to reveal funds available to contribute towards savings goals 3.3 Investigate range of financial product options available to maximise earnings on savings and select most appropriate according to own requirements
4. Implement own savings plan	4.1 List documentary requirements, including evidence of personal identity and steps needed to gather necessary documentation 4.2 Start savings plan, using existing or new financial savings account or product, and monitor for short period of time 4.3 Make adjustments to savings goal where it is realised that goal is unattainable

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	1.1-1.4, 2.2, 3.3, 4.1	Researches and interprets written information from a range of sources to identify relevant aspects for the required task
Writing	1.1-1.4, 2.2, 2.3	Records and documents information accurately using correct language, terminology and concepts
Oral Communication	1.1-1.4, 2.1, 2.3	Uses active listening and questioning to develop a clear understanding of information related to savings plans
Numeracy	1.1-1.3, 3.1, 3.2	Performs a range of mathematical calculations to interpret financial information and to balance or create

		budgets and savings plans
Get the work done	2.1-2.3, 3.1-3.3, 4.1-4.3	- Plans routine tasks and organises work according to defined requirements, changing plans where necessary - Gathers and analyses relevant information and evaluates options to make decisions about savings goals - Reviews results of decisions to modify goals - Uses digital systems tools to design work processes and complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSFLT202 Develop and use a savings plan	FNSFLT202A Develop and use a savings plan	Updated to meet Standards for Training Packages Minor edits to reflect AQF level	Equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSFLT202 Develop and use a savings plan

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Performance Evidence

Evidence of the ability to:

- set realistic, measurable, specific and timely financial goals
- calculate amount needed to achieve identified financial goals
- develop a basic savings plan based on surplus income.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- describe and identify examples of consumer debt
- provide examples of financial goals at different stages of life
- explain the impact of attitudes and spending habits on reaching financial goals
- explain the key features of risk and return concepts in relation to savings and investment
- identify and describe the key principles of budgeting
- describe the role of budgeting and savings in establishing personal wealth
- explain the differences between basic financial products used to maximise savings
- describe the role of financial institutions and their basic savings products.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the financial literacy field and include access to:

- office equipment, technology, software and consumables
- information about the budgeting process, current interest rates, savings products and other relevant resources.

Assessors must satisfy NVR/AQTF assessor requirements.

Links

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<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>