

Financial Literacy Lesson 1: Wealth

Objective: To determine what the term “*wealth*” means to you.

According to Webster’s dictionary, wealth is defined as “*an abundance of valuable possessions or property; all goods and resources having monetary value*”. As individuals, we do not place the same value on possessions, nor do we place the same importance on the monetary value of a possession, good or resource. There are often external factors such as family values, societal and peer pressures, which can influence how a person defines wealth. The first step to Financial Planning is to find out what the term “wealth” means to you. Once you have determined what wealth means to you, you can begin to set a course to help you achieve it!

What is your definition of wealth?

Explain why your definition fits with your lifestyle:

Setting Your Own Course - Priorities

Now that we have our own definition of wealth, we need to take the next step: setting financial priorities! List 5 things which are important to you, and which you feel it is important to spend your money on. Priority number one, being the most important item for you to spend your money on (essential / not negotiable), and priority number five being the least important (discretionary / you can do without spending money on it if need be). Note that priority number one may not be the most expensive, but it is essential to spend money on!

Explain the choices you have made for your priorities:

Once you have completed your 5 priorities, you are given a salary of \$\$\$\$ and you can choose how much money to attribute to each priority. By filling in the spreadsheet / calculator, you will be able to determine where your money is going and how much money you have left over once all 5 priorities have been paid.