TUAGA AOGA:

E t-aua lou iloaina o le aofai o le faalale i le faaogaina i lou telefoni feaveai (mobile phone) i masina ta'itasi, aua e ono mafai suia i se isi mea e fetaui ma ma fa'asaoina ai au tupe.

The MoneyPACIFIC Money Guide

www.moneypacific.org
ABOUT MONEYPACIFIC

MoneyPACIFIC is dedicated to helping Pacific families manage their money and make the best decisions to achieve their financial goals, while learning to minimise the impact of unexpected bumps along the way.

MoneyPACIFIC offers free, independent guidance. We are not selling you any products or services.
The MoneyPACIFIC Money Guide is here to help. Everything you need to know about managing your money is easy – it just takes practice. Taking charge of your money will mean less stress and more control – and a feeling of moving ahead with confidence.

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If you have ever followed a dream or tried to change an area of your life, then the MoneyPACIFIC Money Guide is for you. It doesn’t matter how slowly you work through this Guide – it’s important to keep going. Move forward a little each day. No matter where you are in life right now, it is never too late to learn. Don’t give up – you can reach your goal!
ATTACH A PHOTO OF THE IMPORTANT PEOPLE IN YOUR LIFE HERE
MANAGING YOUR MONEY – TAKING CHARGE

EVERY DAY YOU MAKE CHOICES ABOUT HOW, WHERE AND WHEN YOU WILL SPEND YOUR MONEY.

IS THIS YOU?

• I usually run out of money before my next pay day.
• There are things I would like to buy but I cannot afford them right now.
• I spend a lot of money repaying debt each month.
• I wish I could save more money.

THERE ARE A FEW SIMPLE THINGS YOU CAN DO TO MAKE A DIFFERENCE.

• Don’t spend more money than you have.
• Get your debts paid off.
• Save something.
• Have an emergency fund for when things go wrong.

MONEYPACIFIC SMART TIP:
Learning how to manage your money can mean a lot less stress for you and your family. It is never too late to learn. Don’t give up - it takes time!

FAUTUAGA AOGA:
A e iloa ona fa’aaga fa afua au tupe, e faaititia ai foi le popole mo oe mo lou aiga. O lo’o iai lava avanoa e faamalamalama’ina ai lea mata’upu. ‘Aua le fiu - e ui ina umi se taimi ae taunu’u lava iai.
SEINI’S STORY

Getting my salary fortnightly just cannot take me to the next pay. I always end up with a lot of debts to be paid. I find myself so miserable – I cannot afford to deal with everyday life’s spending. I always get stuck with my choices of whether to pay debts and have nothing to eat throughout the week or the other way around. This is like choosing between life and death. I am not able to save for unexpected matters, especially when it comes to family obligations. I had no other choice but to take a loan and still not look for the lowest interest rate. I can say this is like hell for me – it is so hard that it breaks my heart every time I think about money.
$?$ KNOW WHAT YOU ARE SPENDING YOUR MONEY ON

You might be surprised how much the "little things" you buy add up to a lot of money without you knowing.

For example, Maria buys a drink for $1.50 at the shop every week day during her break. One day she thought about how much she was spending on the drink and realised that it was costing her about $30.00 a month. That was $360.00 a year! She decided to make up a drink at home and bring it to work with her so that she could save the money each month.

Is there a small thing in your life that you could stop doing to save money? How much would you save each week? Each month? Each year?

The best way to find out where your money is going is to keep a spending diary. It is easy!

Below is an example of how to keep a Spending Diary.

<table>
<thead>
<tr>
<th>Day</th>
<th>Amount Spent</th>
<th>What I Bought</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday, 20th</td>
<td>$30.00</td>
<td>Weekly Bus Ticket</td>
</tr>
<tr>
<td>Monday, 20th</td>
<td>$10.50</td>
<td>Chicken and Coke</td>
</tr>
<tr>
<td>Tuesday, 21st</td>
<td>$6.50</td>
<td>Birthday Card</td>
</tr>
<tr>
<td>Tuesday, 21st</td>
<td>$3.50</td>
<td>Ice Cream</td>
</tr>
<tr>
<td>Wednesday, 22nd</td>
<td>$59.00</td>
<td>Shirt</td>
</tr>
</tbody>
</table>

MONEYPACIFIC SMART TIP:
Keep a SPENDING DIARY.
Write down everything you spend money on for a week (two weeks is better if you can). Don’t leave anything out, no matter how little it cost to buy. This will only take a few minutes each day. You can do this just for yourself, or together with your family.

FAUTUAGA AOGA:
Fai sau api e fa’amaumau ai tupe alu. Tusi lelei i lolo mea e alu iai tupe mo le vaiaso le lelei fo’i le fa’alua vaiaso pe’a mafai. ‘Aua ne’i misia se mea e tasi na alu ai se seleni, tusa lava pe laiti le tau. Na o ni nai minute lava o le aso a alu i se fa’amaumaua. E mafai ona e faia na o oe, ia po’o le auai ai foi o lou aiga.
Angela wrote the price of everything she bought last week on a piece of paper:

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sandwich</td>
<td>$3.50</td>
</tr>
<tr>
<td>Ice Cream</td>
<td>$4.00</td>
</tr>
<tr>
<td>Newspaper</td>
<td>$1.50</td>
</tr>
<tr>
<td>Bus Pass</td>
<td>$49.00</td>
</tr>
<tr>
<td>Chocolate</td>
<td>$2.99</td>
</tr>
<tr>
<td>T Shirt</td>
<td>$25.00</td>
</tr>
<tr>
<td>Taxi</td>
<td>$18.60</td>
</tr>
<tr>
<td>Skirt</td>
<td>$30.00</td>
</tr>
<tr>
<td>Groceries</td>
<td>$45.88</td>
</tr>
</tbody>
</table>

Did Angela spend more money on food OR more money on travel and clothes?

Answer: ____________________________________________

After buying these things, how much money did Angela have left from her salary of $375.67?

Answer: ____________________________________________
YOUR TURN TO HAVE A GO

Decide how long to keep your Spending Diary:
- One Week (minimum)
- Two Weeks (if you get paid fortnightly)
- Four Weeks (if you get paid monthly)

The important thing is to do it every day.

You will need:

→ A small notebook to use as your spending diary. Take it with you everywhere you go.

→ Write down everything you spend your money on. It should take you less than 5 minutes a day.

→ At the end of one week or two weeks, add up everything you have spent.

→ Now you have a good idea of your day-to-day spending.
COMPARE YOUR MONEY COMING IN AND MONEY GOING OUT

Now that you know where your money is going each day, the next thing to do is to look at where your money is going each month.

How much money is coming in?
How much money is going out?

Having a Money Plan will help you make the most of the money that you have. It will help you make sure your money is spent in the best way to suit YOUR life and YOUR needs.

To start your Money Plan, you will need to work out:

Your Income

Your Expenses

IMPORTANT WORDS:

A MONEY PLAN helps you to see how much you are earning, spending and saving.
A Money Plan is also called a BUDGET.

IMPORTANT WORDS:

INCOME means the money that “comes in” to your home, usually from a job.
EXPENSES are what you spend your money on. It is the money that you “pay out”, such as for electricity or for groceries.
Think about where your money goes each month. Does it include:

**Everyday basics like food and transport.**

**Regular bills like rent or mortgage, electricity, mobile phone.**

**Every so often spending like clothes, going to the doctor.**

**IMPORTANT WORDS:**

**NEEDS** are basic expenses – things you cannot live without. For example, food and somewhere to live.

**WANTS** are extra expenses – everything else you would like to have, but you can do without them (although they are nice to have!).

**FAUTUAGA AOGA:**

O lo o iai fuafuaga-tau-tupe (Money Planner) I luga o le aupega tafailagi a le MoneyPACIFIC, i le www.moneypacific.org - e fai fua e leai se totogi.
E faigofie ona fa’aaoaga, fa’asao ma lolomi ina fo’i au fa’ai’uga.
E leai se galuega tele e faia I lea auaunaga - E fai uma lava e le Money Planner mo oe.
ANGELA’S STORY

My MoneyPACIFIC calendar has helped me and my family to save through constantly reminding me to not let myself get into debt and to pay off all accounts without building them up. By keeping to a budget, writing a list for groceries and keeping to that budget has helped us to get the things we NEED rather than things that we may WANT. In our household we have two MoneyPACIFIC calendars hanging up and it’s one of the very first things I wake up to each morning. The pictures are vibrant, they tell a story. This year I have managed to save money for our four children’s bank accounts as when they turn 18 they will be serving a mission for the Church of Jesus Christ of Latter-Day Saints. It’s best I start early to put some money away for them.
YOUR TURN TO HAVE A GO

You will need:

- The Money Planner printed at the back of this book, OR
- The FREE Money Planner from www.moneypacific.org (don’t forget to print it out).

Put your income and expenses into the Money Planner.

- Your Income (How much money is coming in)
  Add up all the money you get in a month from your job.
  Check your pay slips and bank statements.
  Make sure to include all the money coming in, such as payments received from your family or extra money you make.

- Your Expenses (How much money is going out)
  Look at bills, bank statements, your spending diary, receipts and shopping dockets.
  If you are unsure of the exact amount or there is anything you cannot find, just put in the best estimate you can.
After you work out your Total Monthly Income and Total Monthly Expenses (your Money Plan), you can compare your income and expenses. You can see the money coming in and the money going out. Are you spending more than you can afford?

---

**IS THIS YOU?**

**I am spending LESS than my income.**

That is excellent. Now you know how much money you have to put towards your future goals.

**I am spending MORE than my income.**

You need to look at your spending and make changes.

If you keep spending more than you can afford each month you are in danger of getting into debt. Debt is easy to get into, but much harder to get out of.

Your next step is to reduce your expenses. Once you have achieved this, you will be able to move on to planning for your future goals.
HOW TO MAKE YOUR MONEY GO WHERE IT MATTERS MOST

<table>
<thead>
<tr>
<th>MONEY IN</th>
<th>MONEY OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>All income:</strong></td>
<td><strong>NEEDS</strong></td>
</tr>
<tr>
<td>• Your take-home pay.</td>
<td>• Basic necessities – the expenses you have to pay in order to live.</td>
</tr>
<tr>
<td>• Your partner’s take-home pay.</td>
<td></td>
</tr>
<tr>
<td>• Pension.</td>
<td><strong>WANTS</strong></td>
</tr>
<tr>
<td>• Benefit payments.</td>
<td>• Extra expenses – want but could live without.</td>
</tr>
<tr>
<td>• Any other money received from family or people living in your home.</td>
<td></td>
</tr>
<tr>
<td><strong>Daily living expenses such as:</strong></td>
<td><strong>GOALS (Saving):</strong></td>
</tr>
<tr>
<td>• Food and groceries.</td>
<td>• Paying off debt.</td>
</tr>
<tr>
<td>• Rent or mortgage.</td>
<td>• Building up savings.</td>
</tr>
<tr>
<td>• Electricity or gas.</td>
<td>• Car.</td>
</tr>
<tr>
<td>• Transport.</td>
<td>• Education.</td>
</tr>
<tr>
<td>• Health care.</td>
<td>• Retirement.</td>
</tr>
<tr>
<td></td>
<td>• Holiday.</td>
</tr>
<tr>
<td><strong>EXTRAS (Spending):</strong></td>
<td>• Personal spending.</td>
</tr>
<tr>
<td>• Eating out.</td>
<td>• Entertainment.</td>
</tr>
<tr>
<td>• Recreation.</td>
<td>• Gifts and donations.</td>
</tr>
<tr>
<td>• Your spending choices.</td>
<td></td>
</tr>
</tbody>
</table>
YOUR TURN TO HAVE A GO

You will need:

Four jars.

One jar is big and the other three jars are the same size but smaller.

(see picture opposite)

The big jar is filled with water.

This big jar is all your money coming in - your TOTAL INCOME from your Money Plan.

It is, of course, not possible to pour out more water than you have in your jar! So with the water that you have in your Big Jar, you must decide how much to put into each Small Jar.

The three smaller empty jars will help you work out where you want your money to go.

**STEP ONE:** From your $ Jar pour enough water into the Basics Jar to take care of your NEEDS - the money you have to pay in order to live.

**STEP TWO:** Work out what you can afford for your WANTS. Divide up the rest of your water between your saving and spending jars.
SORT OUT YOUR NEEDS AND WANTS

Sometimes we spend money on things we want, rather than need. Often we buy the “extras” first. Then we find ourselves without the money to cover our basic expenses.
YOUR TURN TO HAVE A GO

You will need:

A copy of your Money Plan.

First, underline your **BASIC LIVING EXPENSES (your NEEDS)** on your Money Plan.

Then look at the things you **WANT** but could do without if you had to.

After you deduct (take out) your basic living expenses, what are the “Top Three” things you spend your money on?

The top 3 things I spend my money on are:________  Are they a NEED or a WANT?

1.__________

2.__________

3.__________

Do you NEED these things or WANT them? What can you cut out or cut back on?
HAVE A GOAL FOR THE FUTURE

What do you want to achieve? Below are some ideas.

<table>
<thead>
<tr>
<th>REDUCE YOUR DEBT</th>
<th>START TO SAVE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pay Off:</strong></td>
<td><strong>Save For:</strong></td>
</tr>
<tr>
<td>- A personal loan.</td>
<td>- A “rainy day” fund for big bills or emergencies.</td>
</tr>
<tr>
<td>- Outstanding bills.</td>
<td>- Christmas presents and celebrations.</td>
</tr>
<tr>
<td>- A car loan.</td>
<td>- Your wedding.</td>
</tr>
<tr>
<td>- A bank loan.</td>
<td>- A home deposit.</td>
</tr>
</tbody>
</table>

**MONEYPACIFIC SMART TIP:**

How to reach your goal:

1. Work out exactly what you want to achieve and why you want to do this.
2. Be realistic - set yourself a reasonable amount of time to achieve your goal.
3. Talk about your goal with family or a friend so that you can stay motivated.

**FAUTUAGA AOGA:**

O auala e mafai ai ona ausia lau taula po ‘o fuafuaga:

1. Mafaufau lelei I se mea o lo’o e mana’o e ausia, ma le mafuaaga e te mana’o e ausia ai lea faamoemoe.
2. Fuafua lelei ma fai i le mea e mafai. Seki se vaitaimi e ono faataunuu ma mafai ai le taula ua e fa’ata’atia ina.
3. Talanoa ma le aiga po’o se feleia ina ia fa’atumaia faaoluola au mana’oga po’o fuafuaga sa e ausia.
REDUCE YOUR DEBT START TO SAVE

Pay Off:
• A personal loan.
• Outstanding bills.
• A car loan.
• A bank loan.

Save For:
• A “rainy day” fund for big bills or emergencies.
• Christmas presents and celebrations.
• Your wedding.
• A home deposit.
• Your children’s education.
• Starting your own business.

MONEYPACIFIC SMART TIP:
If you have borrowed money with a high interest rate, make paying off this debt your highest priority before doing anything else.

FAUTUAGA AOGA:
Afai na e nonō ina tupe ise pasene maualuga, faamuamua i au mea e fai le toto gi ina ole tupe nonō lenei.
Sala'ai’s Story

My borrowing habit got worse and it significantly affected my family lifestyle – from missing groceries and quality food on the table, while bills piled up unpaid. Not only that, but I started hiding from bank officers or local financial institution staff that knew me well when we were about to meet or crossed our ways. Luckily one day I came across this Smart Tip in the MoneyPACIFIC calendar about not letting debts mount up and be ignored because they would not go away, but cost you more if not dealt with sooner. Feeling the truth of these words from this tip, I was totally hit in the guts! I felt so low realising how poor my borrowing habits were. What a shameful practice! How far did these financial institutions take advantage of me by charging huge interest and penalty rates! It was then that I started to make a difference in handling my finances by adjusting my lifestyle; gradually minimising my spending on luxurious goods, and operating another second income. Within a couple of years I managed to effectively maintain a balanced budget with consistent repayments towards my debts, updating the arrears to date.
YOUR TURN TO HAVE A GO

Set Your Goal

Take a few minutes to think, then answer these three questions.

► What would you most like to achieve (your goal)?
► When would you like to achieve it?
► How much will it cost?

MAKE YOUR PLAN

My goal is:

I would like to achieve my goal by:

It will cost:
SAVING MONEY

Saving money is the best way to achieve your financial goals and prepare for emergencies. When you save money, you put it away and don’t touch it until you are ready.

People save money for many different reasons. Some people save for emergencies. Others save for their children’s or their own education. And some people want to save to buy something special, like a car or a house.

Banks have different kinds of accounts for saving. It is important to find an account that is good for YOU and YOUR financial goals.

MONEYPACIFIC SMART TIP:

Make sure to choose wisely - it makes a difference where you save. Find the bank that is best for you.

Compare bank accounts to find the best one to suit your needs. It’s your money. You work hard to earn it. You can save a lot by paying less bank fees.

Be sure to choose a bank that will help you earn the highest interest on your savings.
**IMPORTANT WORDS:**

**INTEREST** is payment in exchange for the use of money over time. You can earn interest by saving your money in a bank. You pay interest when you borrow money from a bank.

**For example:**

When you open a savings account at a bank, the bank will pay you interest to keep your money on deposit at their bank.

When you take out a mortgage to buy a house, you will pay interest to the bank for the use of their money.

---

**FAUTUAGA AOGA:**

Ia mautinoa ona filifili ma le fa’autauta, e iai ese’esega o faletupe ma vaega e sefe ai tupe. Saili se faletupe e fetaui lelei ma oe.

Faatusatusa ma filifili lelei se faletupe e fetaui lelei mo oe. O au tupe sa e galue malosi iai. E tele au tupe sefe pe’a le lelei ni le toto i bank fees.

Ia e mautinoa ete filifilia se faletupe e maua se tupe tului maualuga mo au tupe teu.

What would you do if an unexpected emergency happened? Would you be able to handle it financially? Do you have a “rainy day” savings plan?

---

**IMPORTANT WORDS:**

A “**RAINY DAY**” **FUND** is savings put away to help you handle an emergency.
JODY’S STORY

I am married with two young children. I work part-time as a shop assistant. I have just enough money for food and bills, but often I worry if something needs to be fixed that I might not have enough money to pay for it.

I wondered how I could get ready for unexpected expenses.

Even though I do not have a lot of money left after paying all the bills, I decided to start to save a small amount. I decided I did not need to buy three snacks a week when I was at work. I thought if I buy only one snack a week it would mean I could save $10 a week. I thought that this was going to be hard, but I was determined to give it a go.

And I did it – slowly to start off with because it wasn’t easy changing my habit. Each week I could see my savings account grow. This made me very happy.

I decided to put the $10 a week into my savings account for emergencies. This way I would have enough money to pay for unexpected expenses – things I might have to pay for all of a sudden.

Three months after starting my savings account for emergencies, our car battery stopped working and we needed a new one. In the past we would not have had enough money to buy a new battery. Now I had $120 in my savings account for emergencies and could buy a new battery straightaway.
I got the MoneyPACIFIC calendar and read the Smart Tips. I am so happy that I’m able to save up and I know that saving doesn’t just mean getting discounts on your purchases. It also means putting away money for a rainy day and pretending I never saw it. Now half of my pay goes straight to my account. This helps me create an emergency fund so that if something does go wrong I won’t be sick with worry.

I had to find ways to lower everyday costs by building habits that can change the way I look at my life, my household, and the future. But it starts with some basic principles and some potentially terrifying concepts – budget, saving accounts, and spending habits. It does scare me to death and fill me with guilt. But when I step back and look at my patterns of behaviour, dreams for the future and the real impact of my choices, every day it’s painless and fun – this is how saving money can be.
MONEYPACIFIC SMART TIP:
1. Start now - no matter how small the amount you can save. Small amounts add up.
2. Have your savings taken out of your pay automatically.
3. Keep your savings separate - put your savings into a separate account with no ATM access.
4. If you receive any extra money, add it to your savings account.

FAUTUAGA AOGA:
1. Amata loa I le taimi nei - tusa lava pe itiiti le tupe e mafai ona e sefe ina. O tupe itiiti e ono fa’aopopo ma tuputupu.
2. Fa’a otomeki ona to’ese mai i lou totogi au tupe teu.
3. Tu’u mavaevae au tupe teu - tu’u au tupe teu i seisi account e le mafai ona fa’aaga ina i se masini talatupe (ATM).
4. A maua nisi au tupe ese mai, fa’aapopo i au tupe teu.
YOUR TURN TO HAVE A GO

1. Decide what to save for.
Write down what you are saving for OR draw a picture of it.
This is your SAVINGS GOAL.
I AM SAVING FOR -

2. Decide where the money being saved will come from.
Look at your Money Plan. Write down how much money you can save after you have paid for your basic expenses (NEEDS).
The amount I can save each month is:

3. Decide where to keep your savings.
You can choose to save money by keeping it at home if you want. But putting your savings in a bank account is a safe way to save your money. You will be less likely to spend it while you are saving because it is not easy to get it straightaway.
Lanna was worried about how she was going to pay her rent and other bills that were due on Friday.

The day before everything was due to be paid Lanna heard an advertisement on the radio that said, “Do you need cash right now? If you need a personal loan urgently, we can help. We are not here to judge you, we are here to help you.” Lanna filled in an application form and later that day a $450 “small loan” from the company was transferred into her bank account.

Over the next few weeks Lanna had some other expenses so she was not able to make her repayments and did not pay off the loan in the 23 days that she had agreed to. As the fee for not paying was $40 each time she missed a payment, as well as the original charges to borrow the money, Lanna found that four weeks later she now owed the company $700.

IMPORTANT WORDS:

DEBT is money owed to a person or company that must be paid off.
If you are thinking about borrowing money, ask yourself these questions:

1. **What am I borrowing money for?**
   - Is it for something I need or something I want?
   - To pay my bills?
   - To help a family member or friend out?

2. **Is borrowing the money my best option?**
   - Is there another way I can solve the problem or get what I want without borrowing money?

3. **Can I afford to repay the money I am borrowing?**
   - Can I handle paying the money back?
   - What if there is an unplanned expense or financial emergency during this time?
   - Before borrowing the money have I tried living on less to make sure I can afford to make the loan repayments?
   - Have I thought about things that could change my income? For example, how safe is my job, will I need to take care of a family member during this time, do I have any health issues that could mean I earn less for a while?

If you do need to borrow money, make sure it costs you as little as possible. Check out all your options before making a commitment.

It is very important that you know the full cost of your loan before you commit to borrowing money.
YOUR TURN TO HAVE A GO

Before going to borrow money, practise asking these questions. Make sure to stress the words that are highlighted.

- How much will my repayments be?
- How often do I need to make repayments (weekly, monthly)?
- How long will it take me to pay back the money I have borrowed?
- What is the interest rate?
- What is the total interest I will pay on the loan?
- What is the total cost of the loan with interest?
- Are there any other fees?
## WORK IT OUT

### Which loan is best?

<table>
<thead>
<tr>
<th></th>
<th>Purchase Price</th>
<th>Deposit</th>
<th>Loan Amount</th>
<th>Length of Loan (in months)</th>
<th>Interest Rate</th>
<th>Monthly Payment</th>
<th>Total Interest to be paid</th>
<th>Total Cost (deposit + principal + interest)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>$10,000</td>
<td>$2,000</td>
<td>$8,000</td>
<td>36</td>
<td>7.5%</td>
<td>$249</td>
<td>$959</td>
<td>$10,959</td>
</tr>
<tr>
<td>B</td>
<td>$10,000</td>
<td>$2,000</td>
<td>$8,000</td>
<td>48</td>
<td>8.25%</td>
<td>$196</td>
<td>$1,420</td>
<td>$11,420</td>
</tr>
<tr>
<td>C</td>
<td>$10,000</td>
<td>$2,000</td>
<td>$8,000</td>
<td>60</td>
<td>8.25%</td>
<td>$163</td>
<td>$1,790</td>
<td>$11,790</td>
</tr>
</tbody>
</table>

### Question

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>How many years is 36 months?</td>
<td></td>
</tr>
<tr>
<td>How many years is 48 months?</td>
<td></td>
</tr>
<tr>
<td>How many years is 60 months?</td>
<td></td>
</tr>
<tr>
<td>Which loan has the lowest monthly payment?</td>
<td></td>
</tr>
<tr>
<td>Which loan has the lowest interest rate?</td>
<td></td>
</tr>
<tr>
<td>Which loan has the lowest total cost?</td>
<td></td>
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</tbody>
</table>
I look up at my MoneyPACIFIC calendar and see the pink “Pay Bills” stickers for the month. I can also see the handwritten numbers next to the stickers. This month I can see two stickers and the numbers 11 and 10 written next to each sticker. The first sticker for January will have a 9 next to it and I will know that I only have nine more fortnightly payments before my debt is cleared. Those numbers, written to the side of the stickers, started at 35 – well over a year ago.

Well over a year ago, because of credit cards and a bank loan. I was swimming in debt. Swimming in debt is probably not the right term for the situation I was in. I was drowning in debt. Just when I would feel my head breaking the surface and being able to catch a breath, another “Payment Required” reminder would come crashing down on me, pushing me under. I knew the trouble I was in, but foolishly convinced myself that somehow everything would be fine. I took out a bank loan to help my family member out. They promised me that they would pay back every last cent. They did not pay a cent back to me and I have been left saddling the loan. After a while I began to feel the pressure of the loan payments, in addition to my existing credit cards. I would fall behind on one payment one week and then have to play catch-up the following week.

One day it got too much and I bit the bullet and went to see my bank. They offered to consolidate my debt into one payment and then they worked with me to make the repayment figure something that was manageable. There was no quick fix and I knew that I had to be committed to the repayments for a long time. In the beginning I felt like I would be in debt forever – but every time I would look up at the MoneyPACIFIC calendar and see those pink “Pay Bills” stickers with the numbers gradually decreasing beside them, it gave me hope knowing that slowly but steadily I would escape this trap once and for all.
YOUR TURN TO HAVE A GO

DEBT WORKSHEET

<table>
<thead>
<tr>
<th>How much do I owe?</th>
<th>Who do I owe this money to?</th>
<th>When do I expect to pay it off?</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

MONEYPACIFIC SMART TIP:
Pay back a loan as soon as you can.
The longer you take to pay off debt, the more it will cost.

FAUTUAGA AOGA:
Totogi se nonoga tupe (loan) i le vave ete mafaia.
O le umi o le vaitaimi e totogi ai le aitalafu, o le tele fo’i lena o tupe alu mo oe.
It is important to understand the fees you are paying when you send money to family or friends. You could be spending hundreds of dollars a year of your money on fees.

Don’t settle for the way you have always sent money – look at other options to get a better deal.

When you send money the first cost is the upfront sending fee. You can easily see this charge. The second cost is the currency conversion fee. This is the difference between the price the operator pays to purchase the foreign currency and the rate they charge you the customer. So your money transfer company or bank buys the currency you are sending (Samoan Tala or Tongan Pa’anga) at one rate and then sells you the Tala or Pa’anga at another (usually higher) rate.

This second fee will make all the difference to how much your family or friend gets when you send them the money.

MONEYPACIFIC SMART TIP:
When sending money overseas remember to check ALL the fees. Look for the best deal. Fees can cost a lot of extra money. Visit www.sendmoneypacific.org for FREE information about the different ways you can send money, the costs involved, and the speed of the transfer.

FAUTUAGA AOGA:
A lafo ni tupe i nu’u mamao, manatua, siaki muamua po’o a isi tupe totogi (fees) aua e tele ai foi tupe alu. Taga’i ifo i le www.sendmoneypacific.org mo nisi faamatalaga i auala eseese e lafo ai tupe, o aiaiga ma tupe totogi mo le faaogaina o ia auauanga, ma taimi e taunu’u ai tupe lafo.
There’s a saying about family: it will always be there, even if we are far apart.

One of the things we can do for our family is to send money back home, to help pay the bills and make sure that there’s food on the table.

These days it’s easy to get money back to our families. There are many companies that can help us. We just take our money to a money transfer operator or a bank, and they take care of the rest, making sure it arrives in the local currency.

But not all of our money makes it home. You see money transfer operators and banks charge fees, which is fair, but most people don’t know how these fees work, meaning your family might not be receiving as much money as they could.
The way these fees work is different from company to company, and even though they are all providing the same basic service, with so many options it can feel pretty overwhelming. To find out what options you have when sending money overseas, check out www.sendmoneypacific.org

This fee can cost you anywhere from 1% to 20%, or more, of your money! Over time, these fees add up and before you know it your family have missed out on a large amount of money.

But they also take a Currency Conversion Fee, which is harder to spot.

Here’s how it works: on one side, money transfer operators and banks take out a Transfer Fee, which is usually advertised upfront.

You can watch this video at www.moneypacific.org
AUDREY’S STORY

Sending money home is not really a major issue but difficulties mostly arise from the differences in the exchange rate and the fee for sending money, thus creating headaches when trying to send money anywhere.

One of the financial messages from the MoneyPACIFIC calendar is “Make sure you get the BEST DEAL when sending money home.” This message has made my family and me change our old norms of sending money. Earlier, we would just go to the nearest money transfer agent and send money, despite the foreign exchange rate and fees for sending money for that particular day. The money transfer agent we usually chose for that particular day and time depended on its convenience to us in terms of proximity to home or work, or whether we knew someone who worked there that could process the transfer faster.

Out goes the old and in comes the new. Old habits have been changed. We no longer send money home just out of the blue or by convenience, but with a lot more effort than we did before.

I now use the SendMoneyPacific website to compare sending costs. It wasn’t just the fact that it provided a place for me to compare rates before sending. It was more the fact that they seemed to know me! Are there truly others like me who send money at the same place because we are used to it? Are there really others who don’t know the true and real cost of sending money?

Our family has now ensured that we’ve got the best deal around before sending money anywhere. It has saved us from extra costs; costs that can be eliminated and are avoidable if we make the right choice. The cost saving is not material, but it makes a significant difference if we add up all the costs that we could save in one year. You’ll be very surprised at how much you could save just by ensuring you’ve got the BEST DEAL every time. My family and I now have extra savings that we can use on other expenses.
YOUR TURN TO HAVE A GO

WATCH

The MoneyPACIFIC Video - Sending Money Home at www.moneypacific.org

This 2-minute animated video explains the costs of sending money home to your families and friends, and how you can save money by simply being aware of all the fees you have to pay. Watch it in English, Samoan or Tongan at www.moneypacific.org

VISIT

The SendMoneyPacific website at www.sendmoneypacific.org

SendMoneyPacific is a FREE, easy to use website to help you compare costs when you send money from New Zealand, Australia or the USA to the Pacific.

IMPORTANT: SendMoneyPacific is NOT a money transfer service.

1. Go to www.sendmoneypacific.org
2. Select the country you are sending money FROM.
3. Select the amount of money to send ($200 or $500).
4. Select the country you are sending money TO.
5. Press the Compare Costs button.

As you will see, there is a big difference in the fees charged between the cheapest and most expensive providers. It’s really worthwhile doing your homework, especially if you are sending money on a regular basis. For example, the cost of sending $200 can come with fees ranging between $1 and $50.
YOUR CHILDREN

Money management skills are not something you are born with. They are something you are taught and learn how to do. Your children learn by watching and listening to you. It can really help your children if you pass on what you know. If you set good examples of responsible money management, your kids are likely to develop those same skills.

START YOUNG

- Play games with them such as counting or sorting coins, or the MoneyPACIFIC Board Game.

INVOLVE YOUR CHILDREN

- Show them what bills look like and how you plan to pay them.
- Get your children to use the stickers inside the MoneyPACIFIC Calendar to help you keep track on your calendar of when to pay your bills, as well as planning important family, school and sports dates.
- Encourage your children to help the family look for bargains on food and other needs.
- Take your children shopping. Look at how much each item costs. Point out bargains and look for discounts.
- Get your children into the savings habit by helping them start a savings account at the bank.

MONEYPACIFIC SMART TIP:

Children LEARN from their family. Talk to your kids about saving, earning, spending and giving. The earlier they learn, the better. It’s IMPORTANT they have good money skills.

FAUTUAGA AOGA:

E a’oa’ina tamaiti mai i o latou aiga. Talanoa i lau fanau i le sefe ina o tupe, le maua mai, le fa’aaalu ma le foa’i atu. Ole vave ona latou iloa o le sili foi lea. E tāua lo latou iloa ma malamalama i mea tau tupe.

PRACTISE WHAT YOU TEACH

- Always set a good example yourself by showing that you plan, budget, spend carefully and save.
- Help your children understand that money isn’t everything, but it can make life easier so it needs to be treated carefully.
PLAY THIS WITH YOUR KIDS

The MoneyPACIFIC Maze

Draw a line from where the little girl is and go through the maze to get to her piggy bank. Don’t get lost!
(The answer is at the back of this book.)
A MONEY PLAN helps you to see how much you are earning, spending and saving. A Money Plan is also called a BUDGET.

INCOME means the money that “comes in” to your home, usually from a job.

EXPENSES are what you spend your money on. It is the money that you “pay out”, such as for electricity or for groceries.

NEEDS are basic expenses – things you cannot live without.
For example, food and somewhere to live.

WANTS are extra expenses – everything else you would like to have, but you can do without them (although they are nice to have!).

O “mea e sau i totonu” (Income), o au tupe maua e pei o lou totogi mai le falefaigaluega.
O “tupe e sau i totonu” (Expenses), o mea e te fa’aalu ina ai au tupe, pei ole totogi ina ole eletise po’o faatauina o mea’ai.
**INTEREST** is payment in exchange for the use of money over time. You can earn interest by saving your money in a bank. You pay interest when you borrow money from a bank.

For example:

- When you open a savings account at a bank, the bank will pay you interest to keep your money on deposit at their bank.
- When you take out a mortgage to buy a house, you will pay interest to the bank for the use of their money.

**A “RAINY DAY” FUND** is savings put away to help you handle an emergency.

**DEBT** is money owed to a person or company that must be paid off.

**A LOAN** is money that you have borrowed. You agree to pay it back. You also agree to pay money added to the amount borrowed, such as **INTEREST** and **OTHER FEES**.

---

O le tupe tulu’i e te toto gi mo le fa’aaga ina o se tupe nonó (Interest). E mafai ona e maua tupe tulu’i i le teuina o au tupe i le bank. E te toto gi fo’i le tupe i lou nonó ina mai o tupe mai le bank.

O se faata’i’i’ga:

- A tatala sau tusitupe e fai ai se teuga tupe ise Bank, e toto gi mai e le bank ia te oe le tupe tulu’i.
- A fai sau mokesi e faatau ai se fale, e te toto gi i le bank le tupe tulu’i mo le fa’aaga ina o tupe a le bank.

O tupe sa e aitalafu ina mai ise isi tagata po’o se kamupani e tatau lava ona e toe toto gia.

O “tupe nonó” (Loan) o tupe na e talosaga ina ma ua e ioeina e toe toto gi.

Ua e ioeina fo’i le toto gi ina o tupe tulu’i ma isi alagatupe (Fees) uma.
The MoneyPACIFIC Crossword

Test what you have learnt by completing the crossword puzzle below. Good luck! (The answers are at the back of this book.)
ACROSS:
2. Things that are nice to have, but you can do without them.
4. An amount of money you borrow and pay back.
7. Extra expenses added to the total charge for a loan or when sending money home.
9. When something unplanned happens that needs to be taken care of straightaway.
10. A printed or written statement showing how much money is owed for goods or services (for example, electricity, phone) – something everyone has to pay.
12. It shows you the days, weeks, and months of a year.
16. Something (such as coins or notes) used as a way to pay for goods and services and to pay people for their work.
18. This group provides free calendars, board games and this money guide.
19. A plan that balances money coming in (income) with money going out (expenses) – also called a Money Plan.
20. Something a person intends to do or achieve (a Money P_____ or a Savings P______).
21. Things you are spending money on (bills, food, school fees) – the opposite of income.

DOWN:
1. Money that you receive in return for your work (the opposite of expenses).
3. To put money away for future use.
5. A person or business that makes money available for others to borrow.
6. Money owed to another person or to a company.
8. When you use money to buy things (the opposite of saving).
11. A fee a person receives if they save money, or they pay if they borrow money, usually shown as a % of the savings or the loan.
13. The transfer of money to someone in his or her home country.
14. An objective or desired result (“she achieved her _____ of saving for a car”).
15. Get money that will be paid back.
17. Things that are necessary to survive.
19. A financial institution providing a range of services for customers who deposit and withdraw money, including loans.
The MoneyPACIFIC Bingo Game

This is a group activity. Make sure you use a pencil or photocopy the page so that you can play it many times.

How To Play:
1. Each player chooses 8 words from the list below and writes one word in each of the eight white boxes on their bingo board.
2. Choose someone to be the “caller”.
3. The caller randomly (in no particular order) selects words and reads them out.
4. When the words are called out, the players cross them off on their board.
5. Keep playing until one person has crossed out all their words and called out BINGO!

Choose 8 words from the list below. Write one of the words in each of the white boxes above. If that word is called out during the game, cross it out! Good Luck!

5. Budget 10. Loan 15. Interest 20. Fee
THERE ARE OTHER GREAT WAYS YOU CAN KEEP LEARNING WITH MONEYPACIFIC

MoneyPACIFIC Website
Jump online to the MoneyPACIFIC website for tips and guidance, and our Money Planner tool which can help you save money and reach your financial goals.
Use the website language selector to view the information in English, Samoan or Tongan.
Check it out at www.moneypacific.org

MoneyPACIFIC Game
A fun and exciting board game for kids of all ages that teaches them about the benefits of saving money and the possible risks of spending money.
Find out more on the About us page of our website www.moneypacific.org

MoneyPACIFIC Calendar
With bright reminder stickers, the MoneyPACIFIC calendar is an excellent way to keep track of when to pay your bills. Plus there are stickers especially for kids to use so they can remember important school and sports dates.
There are five different calendars to choose from: one for each of these countries – Samoa, Tonga, Vanuatu, the Solomon Islands, and Papua New Guinea.
Find out more on the Order a Calendar page at www.moneypacific.org

Like us on Facebook to keep up to date with our competitions, updates and new smart tips!
facebook.com/MoneyPACIFIC
PAGE 6
(Know What You Are Spending Your Money On)

$56.37  Food
$122.60  Travel and Clothes

Angela spent more money on travel and clothes.

$180.47  Total Amount Spent

Angela had $195.20 left from her salary.

PAGE 31
(Borrowing Money)

36 Months = 3 Years
48 Months = 4 Years
60 Months = 5 Years

Loan C has the lowest monthly payment ($163).

Loan A has the lowest interest rate (7.5%).

Loan A has the lowest total cost ($10,959).

PAGE 44
MoneyPACIFIC Crossword

ACROSS:
2. Wants
4. Loan
7. Fees
9. Emergency
10. Bill
12. Calendar
16. Money
18. MoneyPacific
19. Budget
20. Plan
21. Expenses

DOWN:
1. Income
3. Save
5. Lender
6. Debt
8. Spending
11. Interest
13. Remittance
14. Goal
15. Borrow
17. Needs
19. Bank

PAGE 41
The MoneyPACIFIC Maze
## THE MONEY PLANNER

<table>
<thead>
<tr>
<th>Money Coming In Each Month</th>
<th>Money Going Out Each Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Other Income $</td>
<td>Rent / Mortgage $</td>
</tr>
<tr>
<td>My Take-Home Pay $</td>
<td>Food / Groceries $</td>
</tr>
<tr>
<td>My Partner’s Take-Home Pay $</td>
<td>Electricity / Gas $</td>
</tr>
<tr>
<td>Bonuses / Overtime $</td>
<td>Water / Rates $</td>
</tr>
<tr>
<td>Other Income $</td>
<td>Telephone / Internet $</td>
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<tr>
<td>Other Income $</td>
<td>Mobile Phone $</td>
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<tr>
<td>Other Income $</td>
<td>Television $</td>
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<tr>
<td></td>
<td>Other Bills $</td>
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<tr>
<td></td>
<td>Petrol / Diesel $</td>
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<tr>
<td></td>
<td>Car Registration / Repairs $</td>
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<td></td>
<td>Bus / Train / Ferry $</td>
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<tr>
<td></td>
<td>Car Loan Repayment $</td>
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<tr>
<td></td>
<td>Other Loan Repayments $</td>
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<td></td>
<td>Car Insurance $</td>
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<td></td>
<td>Health / Life Insurance $</td>
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<td></td>
<td>House &amp; Contents Insurance $</td>
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<td></td>
<td>Childcare Expenses $</td>
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<td>School Fees / Expenses $</td>
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<td></td>
<td>Pocket Money $</td>
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<td>Gym / Sporting Expenses $</td>
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<td>Gifts / Celebrations $</td>
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<td>Doctor / Medicine $</td>
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<td>Donations / Charity $</td>
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<tr>
<td></td>
<td>Other Expenses $</td>
</tr>
<tr>
<td></td>
<td>Other Expenses $</td>
</tr>
</tbody>
</table>

**Total:** $ Other Expenses $
E tāu iloaina o le aofai o le tupe e faaalu ile faaogaina i lou telefoni feaveai (mobile phone) i masina ta’itasi, aua e ono mafai ona suia i se isi mea e fetaui ma oe ma fa’asaoina ai au tupe.