Learning Outcome 1.3

1.3 Construct a Personal Financial Lifecycle to identify financial needs at different life stages

Summary of Qs asked 2019-2026 on Learning Outcome 1.3

2025 Q16 (a) (ii)	Give an example of a want for a dependent person and a source of income for a retired person	Needs, wants and income across the lifecycle	6m
2026 Q14	Identify a want, need and source of income for someone in the independent stage (late teens-late 20s)	Needs, wants and income across the lifecycle	6m

Key skills required so far answering the JC Exam:

1. Identify the needs and wants people have at different life stages
2. List typical sources of income earned across a person's lifetime
3. Match a need, want or source of income to the correct lifecycle stage

Page 23 Introduction + Class Activity - Average weekly earnings

a) Lowest weekly earnings: the 15-24 age group (€413).

b) Highest weekly earnings: the 40-49 age group (€1,151).

c) Income from the 30s into the 40s rises from €1,023 to €1,151, an increase of €128.

d) Why earnings are lower for younger people: less experience and fewer qualifications, often in entry-level or part-time work, and many are still in education.

e) Why income falls for those aged 60+: many reduce their hours, move to part-time or semi-retirement, or retire onto a pension.

f) Why earnings increase with age: more experience, qualifications and promotions, and moving into more senior roles.

g) Does everyone follow this pattern: no, it varies. Some earn well when young (eg a trade, sport or their own business), while others take career breaks or change career.

h) Do spending patterns follow a similar trend: discuss. Spending often rises through the 30s and 40s (mortgage, raising a family) then eases later, but it varies by life stage.

Page 27 Exam Corner + Class Activity - Stages of the lifecycle

1) Stage most likely to have these needs/wants:

- a. Buy a house - Development (30-44).
- b. Savin for retirement - Pre-Retirement (45-65)
- c. Higher healthcare costs - Retirement (66+).
- d. Buy a first car - Independent (19-29).

2) Stage most likely to have these sources of income:

- a. Pension - Retirement (66+).
- b. Part-time work - Dependent (under 18), and Independent stage.
- c. Pocket money - Dependent (under 18).
- d. Child Benefit - Development (30-44), independent/pre-retirement also

3) True or false, with a reason:

- a. A mortgage in the dependent stage: False. Dependents are under 18 and reliant on family; a mortgage comes in the development stage when buying a home.
- b. Childcare costs highest in the development stage: True. The development stage (30-44) is when people raise children, so childcare costs are at their highest.
- c. Income lower in the independent stage than later: True. In the independent stage (19-29) people are early in their careers, so income is usually lower than in development or pre-retirement.
- d. A pension is the main source of income in retirement: True. In retirement (66+) people rely mainly on a pension rather than employment income.