



# Learning the Art of Budgeting and Money Management



# WHY DO WE NEED TO BUDGET?



- **Get the most from your money**
- **Have Money to Invest**
- **Plan for your future – retirement, buying a home or car, planning a vacation or emergencies**
- **Pay for your short, medium and long term expenses**
- **Plan for financial changes**
- **Financial Freedom**



# BUDGETING TIPS

## SOME THINGS YOU NEED TO DO



**Identify How You are Spending Your Money  
(cash, debit and credit cards, bills, groceries, rent)**

- **Put Your Personal Budget to Paper**
- **Determine your financial goals.**



# THINGS YOU SHOULD NOT DO



**DO NOT Copy Someone else's Budget**  
(their expenses, income levels and responsibilities are different to yours)

**DO NOT Make your Budget too Rigid** (it is a useful tool but it cannot predict emergency expenses)



# SYSTEMS TO TRACK YOUR MONEY



- **Notebook and Pen is within anyone's means**  
(It is easy to access and you won't have to incur the expense of a computer)
- **Use Microsoft Excel if you have a computer**  
(you can track your expenses and income monthly and annually)



# How to SET UP A BUDGET



- **Keep track of every expense**
- **Update your budget daily**
- **Budget by the Month not the Paycheck**
- **Plan for Fixed and Variable Expenses**
- **Plan for Occasional Expenses**
- **Invest additional funds or extra earnings**



# BUDGETING TIPS



- Allow yourself to be Flexible
- Reward yourself
- Keep Spending **below** your income
- Salary deductions where possible
- Loans for long term investments



# ITEMS TO INCLUDE IN YOUR BUDGET



- **YOUR INCOME**
- **FIXED EXPENSES (RENT/MORTGAGE  
GROCERIES, TRANSPORT COST AND UTILITIES)**
- **SAVINGS (EMERGENCY OR RETIREMENT)**
- **VARIABLE EXPENSES (CLOTHING, GIFTS, ENTERTAINMENT)**
- **MISCELLANEOUS ITEMS (PERSONAL ITEMS)**





# WHAT TO DO NEXT?



- **TOTAL YOUR INCOME**
- **TOTAL YOUR FIXED EXPENSES**
- **TOTAL VARIABLE EXPENSES**
- **TOTAL MISCELLANEOUS EXPENSES**
- **SUBTRACT YOUR EXPENSES FROM YOUR INCOME**



# HELPFUL TIPS



- **IF YOUR EXPENSES ARE GREATER THAN YOUR INCOME FIND WAYS TO CUT BACK (DISCUSS WITH OTHER FAMILY AND FRIENDS)**
- **PLAN YOUR ERRANDS SO YOU DON'T MAKE MULTIPLE TRIPS**
- **DON'T WASTE FOOD**
- **TAKE ADVANTGE OF STORE SALES**
- **PAY OFF HIGH INTEREST DEBT FIRST**

**Prepared by Deborah Vieira for the JDIC Symposium**

