

## **A Budget is the magic key to sorting out your Finances**

Putting a budget together

### **Step 1**

Get organised

- Gather all your statements and bills, payslips.
- Keep track of your budget on your computer (Excel)
- Download a budget planner ([www.moneysmart.gov.au](http://www.moneysmart.gov.au) > tools and resources)

### **Step 2**

List your income.

- List all the money you receive each month from all sources eg. PAYG; Rental Income; Investment Income; Family Benefits
- Total your Monthly Income

### **Step 3**

List your monthly expenses.

- Essential expenses eg. food, bills, education, mortgage, personal loans, credit cards
- Non-Essential expenses eg. Entertainment, Eating Out, Holidays, Bars/Clubs
- Be ruthless and honest
- Total your Monthly Expenses

### **Step 4**

Balance your budget

- Hopefully your monthly income covers your monthly expenses. If not;
- Work out how to decrease your expenses or increase your income
- Pick up extra work if you need to

### **Step 5**

Set Savings Target

- Once a surplus monthly income is created, decide how much to save comfortably
- Treat it like an Expense
- Take out a set amount each month automatically as soon as you get paid.
- Remember: If it's comfortable you will not miss it.