

# Why Budget?

## WHAT IS A BUDGET?

It's a **plan** to **manage** your money by monitoring your **income** and tracking your **expenses**.

### Determine income



## WHERE DOES YOUR MONEY COME FROM?

- Allowance
- Financial gifts
- Interest from financial accounts
- Wages
- Scholarships, grants, and student aid

### Identify expenses and track spending

## WHERE DOES YOUR MONEY GO?



School expenses



Activities



Bills



Entertainment



Food

### Develop the budget plan

## Follow the Money

Mapping a budget plan helps you see where you've been and takes you where you want to be.



<b>Income</b>	
Allowance	\$100.00
Financial gifts	\$50.00
<b>Total income</b>	<b>\$150.00</b>
<b>Expenses</b>	
Savings	\$25.00
<b>Fixed Expenses</b> (same every month)	
School fees	\$12.00
Gym membership	\$15.00
Cell phone bill	\$35.00
<b>Variable Expenses</b> (may change each month)	
Movies	\$20.00
Food	\$35.00
<b>Total expenses</b>	<b>\$142.00 for the month</b>
<b>Surplus</b>	<b>\$8.00</b>

- Pay yourself first "savings"
- Consider your goals
- Cover budget shortfalls
- Know what you owe and when it's due
- Plan for the unexpected

### Put your plan into action



1. Implement the budget



2. Review budget at least monthly



3. Make necessary adjustments for your situation

## A BUDGET HELPS YOU TO:

- Understand where your money goes
- Find uses for your money that will increase your wealth
- Take control of your money
- Live within your means and meet your goals

