

## Budget Worksheet Instructions

So you've got the 2010 Life Planner in your hot little hands and you're ready to begin the journey to financial success – on your way to greener financial pastures.

But before you head out on the road, you really need to know where you're going!

Mapping out a budget – a *realistic* budget you can understand and commit to – is the best and most efficient direction to get where you want to be.

Our Budget Worksheet will help you figure out how much money comes into your household every month, and how much goes out to bills, entertainment and other expenses.

It's an intuitive spreadsheet, so it also breaks down for you how much money you're setting aside each week (and each month) for the major spending categories in order to get by.

### Step 1 - INCOME:

Find out how much money you and/or your partner earn. Use cheque stubs to determine your gross income (before deductions) and net income (after deductions – what you bring home) and fill in the blanks.

If you bring in additional money, for example from investments, rental properties, government or spousal support, add it in as well.

### Step 2 – EXPENSES:

Find out where your money is going. Break down annual bills (like home insurance) into monthly sums by dividing by 12. Fill in for each category.

For the more fluid spending amounts, like gas and food, use your monthly bank statement and your past knowledge of costs to build the most accurate calculation.

For “want” items like personal care, entertainment and clothing, do NOT underestimate these expenses in the budget worksheet! You need to be honest about how much you're spending now in order to properly learn how much you're *overspending*. It's the only way to identify where you need to trim in order to keep moving forward.

Once you have all the blanks filled in, look to the bottom of the spreadsheet and see how you're doing.

The goal is to ensure you have more money coming in than going out. Not the other way around. If necessary, change your variable expenses – things you can change by changing your habits – until you get to that point. Once there, the spreadsheet will automatically tell you what your budget is for each of the major spending categories each week. Take that money out in cash. Spend it, track it, and when it's gone, it's gone.

You now have the roadmap laid out for you, and taking control of your money and your financial plan will ensure you're heading in the right direction.

