

# BENEFITS OF BUDGETING

It has been found that 20% of adults **do not** put money aside for standard bills, like insurance council rates, or even their monthly home loan.

It is important to do a budget for 12 months which covers the main spending patterns of your lifestyle. These include: groceries, clothing, insurance, car maintenance, phones, electricity, gas, rates and home loan payments.

Money should also be made available for leisure activities.

It is essential to recognise your individual goals within your finance.

These goals may include

- Reducing your home loan
- Upgrading your car
- Holiday
- Purchasing an investment property
- Children's education
- Creating a plan for retirement

You will need to ask your self **“do I really need it?”** or **“can this money go towards reducing debt and getting me closer to my goals?”**.

Check bank fees and charges constantly and verify that your money is sitting in its most effective account.

You will also be responsible to ensure that you are using your accounts in the most effective way.

**If you are not – change it so that it is.**

Before purchasing anything, whether it a new car, a computer or even a pet, investigate all associated costs and include them in your budget and then make the calculations, to see how this decision effects the overall budget.

This also applies to larger purchases – being an investment property or starting a share portfolio.

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You **must** know all the ongoing costs before committing your self.

**Planning ahead is the foundation of living a comfortable life.**

It is easy to forget about the future when you are living for today.

Many people don't take an interest in their super or retirement as they don't think that day will ever come.

Truth is - that day will come and much faster than expected.

Retirement planning is essential.

It is a fact that women live 5 years longer than men.

Make yourself aware of what super you can actually get from your boss.

Don't be afraid to ask questions,

- "how long it will it last?" or
- "what quality of lifestyle it will give me?".

## **Remember**

**Plan now and play later.**

**This doesn't mean that there is no play now, but being able to plan, budget and be disciplined - you are able to enjoy life when you retire as well as today**