

Take control of your finances!

I couldn't believe how much better I felt about my financial situation by implementing this simple financial strategy.

Instead of one bank account where money came in and went out even faster, I have several bank accounts that I direct my money to, all single purpose accounts including one account just for me!!

By doing this I can spend money on myself, guilt free. And where before everyone else's' need for money came first, now I now find the kitty not so bare when I need something for myself.

All I did was follow these simple steps.

- 1 list all expenses for the year
- 2 decide the accounts you will need
- 3 source a bank that will accommodate this
- 4 develop new disciplined habits

And away I went...

Expenses for the year

Gather all bank statements for the previous year and using this as a guide, list all the bills you expect to pay on a weekly, fortnightly, monthly, quarterly and/or annual basis.

On the next page we've provided a template to help you gather all the information you need for the next step.

Expenses

	Weekly expense	Monthly expense	Quarterly expense	Total annual expenses
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Primary residence

Council rates	\$	\$	\$	\$
Water rates	\$	\$	\$	\$
Home and contents insurance	\$	\$	\$	\$
Maintenance or repairs	\$	\$	\$	\$
Other				
This will be allocated to the BILLS account.				

Residence

Mortgage, rent, board	\$	\$	\$	\$
This will be allocated to the MORTGAGE/RENT/BOARD account.				

Investment property

Mortgage	\$	\$	\$	\$
Water rates	\$	\$	\$	\$
Home and contents insurance	\$	\$	\$	\$
Land rates	\$	\$	\$	\$
Maintenance or repairs	\$	\$	\$	\$
Other				
This will be allocated to the BILLS account				

Expenses - cont'd

	Weekly expense	Monthly expense	Quarterly expense	Total annual expenses
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Repayments

Car loan	\$	\$	\$	\$
Credit cards	\$	\$	\$	\$
Store cards	\$	\$	\$	\$
Personal loan	\$	\$	\$	\$
Equipment rental	\$	\$	\$	\$
Other debt	\$	\$	\$	\$
This will be allocated to the BILLS account				

Utilities

Water	\$	\$	\$	\$
Electricity	\$	\$	\$	\$
Gas	\$	\$	\$	\$
Telephone	\$	\$	\$	\$
Internet	\$	\$	\$	\$
Pay TV	\$	\$	\$	\$
This will be allocated to the BILLS account				

Transport

Petrol	\$	\$	\$	\$
Public transport	\$	\$	\$	\$
Vehicle registration	\$	\$	\$	\$
Vehicle maintenance or repairs	\$	\$	\$	\$
Vehicle registration	\$	\$	\$	\$
Vehicle Insurance	\$	\$	\$	\$
Tyres	\$	\$	\$	\$
This will be allocated to the BILLS account				

Expenses - cont'd

	Weekly expense	Monthly expense	Quarterly expense	Total annual expenses
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Food

Groceries	\$	\$	\$	\$
Eating out – lunches	\$	\$	\$	\$
Eating out – dinner	\$	\$	\$	\$

This will be allocated to the FOOD
account

Education

School fees	\$	\$	\$	\$
Uniforms	\$	\$	\$	\$
Self-education	\$	\$	\$	\$
Books	\$	\$	\$	\$
Out of school activities	\$	\$	\$	\$
Child minding or care	\$	\$	\$	\$

This will be allocated to the BILLS
account

Medical

Health insurance	\$	\$	\$	\$
Doctor	\$	\$	\$	\$
Dentist	\$	\$	\$	\$
Optometrist	\$	\$	\$	\$
Alternative therapies	\$	\$	\$	\$
Other, eg physiotherapy	\$	\$	\$	\$

This will be allocated to the BILLS
account

Expenses - cont'd

	Weekly expense	Monthly expense	Quarterly expense	Total annual expenses
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Personal

Clothing	\$	\$	\$	\$
Personal grooming	\$	\$	\$	\$
Hobbies	\$	\$	\$	\$
Sport, eg gym membership, clubs	\$	\$	\$	\$
Holidays	\$	\$	\$	\$
Gifts	\$	\$	\$	\$
Alcohol	\$	\$	\$	\$
Cigarettes or tobacco	\$	\$	\$	\$
Cinema, videos and DVDs	\$	\$	\$	\$
Mobile phone - personal	\$	\$	\$	\$
Donations	\$	\$	\$	\$
Magazine or newspaper subscriptions	\$	\$	\$	\$
Other, eg dry cleaning, fines, ad hoc purchases	\$	\$	\$	\$
This will be allocated to the ME account				

Other

Life, income or term insurance	\$	\$	\$	\$
Pets, eg food or vet bills	\$	\$	\$	\$
Special projects	\$	\$	\$	\$
Mobile phone - work	\$	\$	\$	\$
Other	\$	\$	\$	\$
This will be allocated to the BILLS account				

Set up your bank accounts

We've done the hard work for you. What do you think of these accounts?

<ul style="list-style-type: none"> Income Bank Account - where all incoming monies go to. 	
<ul style="list-style-type: none"> Savings account - to create your cash buffer 	
<ul style="list-style-type: none"> Your account - one each if you're a couple 	
<ul style="list-style-type: none"> Tax - if you have to pay your own tax 	
<ul style="list-style-type: none"> Donation to a cause close to your heart 	
<ul style="list-style-type: none"> Mortgage/rent/board 	
<ul style="list-style-type: none"> Food 	
<ul style="list-style-type: none"> Savings accounts - specific goals, for example renovating the kitchen, 	
<ul style="list-style-type: none"> Savings accounts - specific goals, for example holidays 	
<ul style="list-style-type: none"> Savings accounts - specific goals, for example children 	
<ul style="list-style-type: none"> Savings accounts - specific goals, for example gifts 	
<ul style="list-style-type: none"> Bills - no explanation necessary! 	

Tips and traps

Income account

- Make every dollar you earn work for you by allocating all funds from this account into the appropriate bank accounts after each pay.
- Make sure that the income account goes to the respective accounts by you only. Remove all direct debits attached to this account.
- Its ok for this account to be run down to just a couple of dollars.

Savings

- It's not how much you save; it's that you DO save.
- Try to increase the amount that you save by 10% every three months.
- Don't use this money - EVER!
- Don't use it to buy a new toy! Eg, a new car, for holidays.

Tips and traps - cont'd

Pay yourself

- Remember this money is just for you!
- You have earned your wage; you deserve to spend some money on yourself!
- Don't spend this money on anybody else or give it away.
- Don't vary this amount each week, keep it constant so you know how much is there for you.

Tax

- Skip this account if you have tax taken out of your take home pay and have no other outside income.
- If you need this account, this is not your money, don't dip into this account at all.

Donations

- Donate to a cause that touches your heart.
- Give anonymously.
- Don't do it to receive a tax deduction or any other tangible benefit.

Tips and traps - cont'd

Mortgage/rent/board

- You can skip this account if you are lucky enough to have no mortgage.
- Don't use this account to pay for investment properties.

Food

- Use this account for all groceries including day to day bread and milk etc.,
- Don't use this account for any other consumable ie not to be used for cigarettes or alcohol.

Extra savings accounts

- These help you to finance your dreams.
- There is no minimum, even small amounts add up.
- Don't underestimate the importance of these accounts; dreams are what keep us motivated.
- Have an account for each goal/dream.

Tips and traps - cont'd

Bills

- Check on this every three months. Review and recalculate if necessary as expenses may have changed.
- Arrange for all direct debit to bill companies to come from this account, not any other account.
- Don't dip into this account if you see the account balance accumulating.

Taking control of my finances

Step One - Save

BSB - Acc/No - \$_____

Step Two - Pay Yourself

BSB - Acc/No - \$_____

Step Three - Tax

BSB - Acc/No - \$_____

Step Four - TITHE

BSB - Acc/No - \$_____

Step Five - Mortgage/rent/board

BSB - Acc/No - \$_____

Step Six - FOOD

BSB - Acc/No - \$_____

Extra Savings

Holidays

BSB - Acc/No - \$_____

Gifts

BSB - Acc/No - \$_____

Home improvements

BSB - Acc/No - \$_____

Kids

BSB - Acc/No - \$_____

Step Seven - Bills

BSB - Acc/No - \$_____

