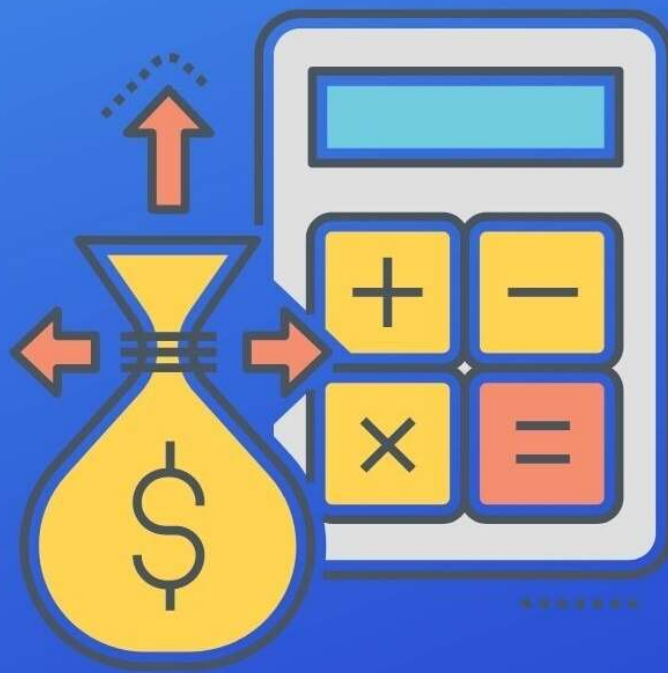


How To Do Personal Budgeting!

Even if You're Not A Financial Expert

By Richard Deauna



How to Do Personal Budgeting Even If You're Not a Financial Expert

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Are you interested in making your money work for you?

There are many ways to save money, but it takes discipline and determination to stick with them. We have outlined these tips in this ebook so that you can begin saving today. These tips will help you save more money, pay off debt faster, and invest for your future. You will be on the path to financial freedom if you apply what is written here. Click the button below to learn more how to achieve financial freedom! Or you can visit <https://moneysenseworld.com>

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How to Do Personal Budgeting Even If You're Not a Financial Expert

Knowing how to do personal budgeting is essential if you are aspiring to have financial freedom. You have to take matters into your own hands today.

Money is only a tool. It will take you wherever you wish, but it will not replace you as the driver. The people who take their financial matters seriously, they become in control of their life.

Budgeting only works if you are truthful about your expenses and income. To make an effective budget, you must be willing to work a detailed and accurate of your current financial picture.

It might be overwhelming at first but as you consistently work and track your progress, it will become easy and you'll feel a sense of personal achievement. You have to take this seriously and be dedicated until you reached your goal.



How to Do Personal Budgeting

Because if you don't and do nothing about your finances, you will be in the same situation until you retire. If you are having a tough process in your budget, ask for help from your financial advisor or a financial planner.

Budgeting is not fun at all, not many people enjoy sitting down and balancing their budget. But the great news is whilst not fun it's worth it! If you are having a tough process in your budget, ask for help from your financial advisor or a financial planner.

Why is personal budgeting important?

Personal Budgeting helps you to plan for a better future. Instead of scrambling when it's time to pay for something, you'll have all the cash you need.

You will see where you're monthly income goes. Without tracking your spending you will end up being broke which might cause missed bill payments.

- Budgeting helps you pay bills on time, which saves you money.
- Budgeting means you have to stop spending money like there is no tomorrow.
- It helps lead to a happier retirement you will be able to properly allocate your income and will have enough for savings.
- It will also avoid overspending on unnecessary things that you don't need.
- Having a budgeting system or method in place you can easily keep track of all your expenses This will give you a bird' eye view of your current financial situation.

Helps You Stop Worrying and Enjoy Your Money More when you know where your money goes, you will be able to predict if your financial goal is achievable.

This is like a roadmap of your financial goal without a plan, a road map, you'll be lost.

4 Reasons To Start Thinking About Personal Savings

Do you feel jealous of those who have [personal savings](#)? Have you experienced using credit cards on unexpected expenses because you don't have [emergency funds](#)? If you lose your job today or tomorrow, would have enough saved to cover your living expenses?

You probably want a savings account but unable to do so because you don't know when and how to begin. May you have tried in the past but failed because there's seems nothing left after payday?

Many financial experts and financial planners recommend having a savings account for rainy days. So how do you start? Heres' some tips for making saving money a part of your personal budget.

1. Get Your Money Working For You- Pay Yourself First

Many people felt they can't afford to save money because there seems not enough left over to save after all the bills have been paid. What if you do the reverse?



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Every payday make it a habit to put money in your savings account first, and then tackled your monthly expenses with the leftover?

Doing it by percentage might help, let say 10%, of your income. This is not written in stone but you have to start an amount to which you're comfortable with. This will teach you subconsciously that a \$1000 check is actually a \$900 only.

2. What To Do With a Windfall of Money

Have you ever think or some have ask you how will you spend the extra money?

It could be a stash of cash you've received from a tax return, a gift, or bonus from work, or in other ways, you get money above and over your usual income.

[Here's a tip, do nothing and don't spend your windfall!](#) But instead, put it in your savings account and use it as needed.

Unless you have an emergency need for it right away. Making a habit of putting your windfall of money in a bank is an awesome way to begin your savings. But this requires great discipline and focus especially if this money comes from your bonus.



3. Reviewing your budget

Studying your budget is a process of reviewing, adjusting, and fine-tuning the amount of money that's allocated to your different budgeting list.

This small but very crucial step will reveal your spending habits and will allow you to see areas that need improvement with your budget. You will also see where you can reduce your spending and save more.

Review all the unnecessary things or optional expenditures like dining out, shopping, club membership, entertainment bills and see where you can cut back. Then put that money into savings.

4. Avoid Debt

Start paying off your credit cards monthly so your debt will not pile up.

Stay away from using credit cards until you maxed out instead leave your cards at home so you can avoid going into debt. Once your savings are built up you won't need to dip into your credit cards with unexpected expenses.

Things You Must Know About Emergency Fund



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A lot of people question the importance of an emergency fund. Is it really needed, after all? How do you go about it? What is an emergency fund? Below are some suggestions and ideas that would help answer these questions.

What is an Emergency Funds?

Emergency funds are a safety net or funds readily available in unexpected expenses. Hence, its' called "emergency funds" because it's for emergency purposes that can be used in the future.

This money is saved and set aside that people can use in times of financial distress.

The main purpose of an emergency fund is to be financially secured by creating a safety net that can be used in an unexpected event such as illness, loss of job, home, or car repairs. An emergency fund can be a cash or savings in a bank.

Generally speaking, an emergency fund is necessary because this eliminates using high-interest credit cards or loans or even tapping to retirement funds.

Such funds are a good idea as this will reduce stress in times of need. Having this "cushion" can help you be ready and be calm.

How to Create an Emergency Fund?

Start by looking and evaluating your expenses. Look for about three to six months worth of your living cost and then count on having much you can set aside for the emergency fund.

This can and will help your standard living expenses for the time if you get sick or lose your job, or it can cover a substantial amount such as a home or car repair.

Then look into the timeline of how long it will take you to save that much and how much you need to take out of your paycheck each month to reach that goal.

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Once you know how much you would need to put away as savings and the timeline of saving it, it's a great idea to put it in the back of your head to always set aside first for an emergency fund before you pay anything else.

If an automatic deduction into your account will work for you then, by all means, go for it.

See if putting a certain amount or portion of your income taken out of your paycheck and put into a savings account will work.

What If You Have Low Income?

It's not how much you make, but it's how much you save. So, even with a **low income**, you can still set aside money each month.



Start saving a percentage of your income like 5 to 10 percent. It might take a while but as time goes on it will accumulate and will be worth it.

Emergency funds don't have to be huge – but it should be enough that could cover unexpected expenses.

To know your fund size, consider what are sorts of emergencies you would want to cover buy the fund.

Evaluate the changes, scope, and the cost potential of possible emergencies and this should be able to give you a better picture of how large your fund needs to

be.

When should you start budgeting?

A budget is an estimation of income and expenses over a specified future period of time. You're basically telling your money where it should go instead of scratching your head wondering where it when. The best time to begin budgeting is as soon as you can.

Individuals that begin budgeting early accomplish goals such as paying their expenses on time, buying a home, or saving cash for retirement. It can assist you to live within your means but for a lot of people, it's easier said than done.

A [budget plan](#) guarantees you've got money to cover monthly expenses by determining where you may require to cut back.



It can also help you target areas where you can trim costs and also change funds towards more crucial goals.

When you maintain a budget, you can avoid spending more than you earn, and you can decrease or stay away from various kinds of debt.

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If you are in control of your money, you are in control of your financial future. You will be able to see the big picture of your finances. This will also enable you to break the cycle of living from paycheck to paycheck.

How to Know When You Need a Personal Budget

Do you really need a budget? Are you always behind paying your monthly bills? Do you have money left over for your personal wants once the bills are paid?

These are questions that might seem boring list of numbers that you need to answer to determine if you need a personal budget in place. A budget is a way for you to be able to control your finances. It means that you spend your money more smartly.

This doesn't necessarily mean that you cannot spend your money on what you want.

The fact of the matter is if you are always trying to deny yourself in buying things that you want because your afraid you can't afford them, then a budget could set you free.

It is stressful to deal with real numbers than dealing with a rough estimate of your income and expenses.

Here are some tips to help you know if you need to form a budget.

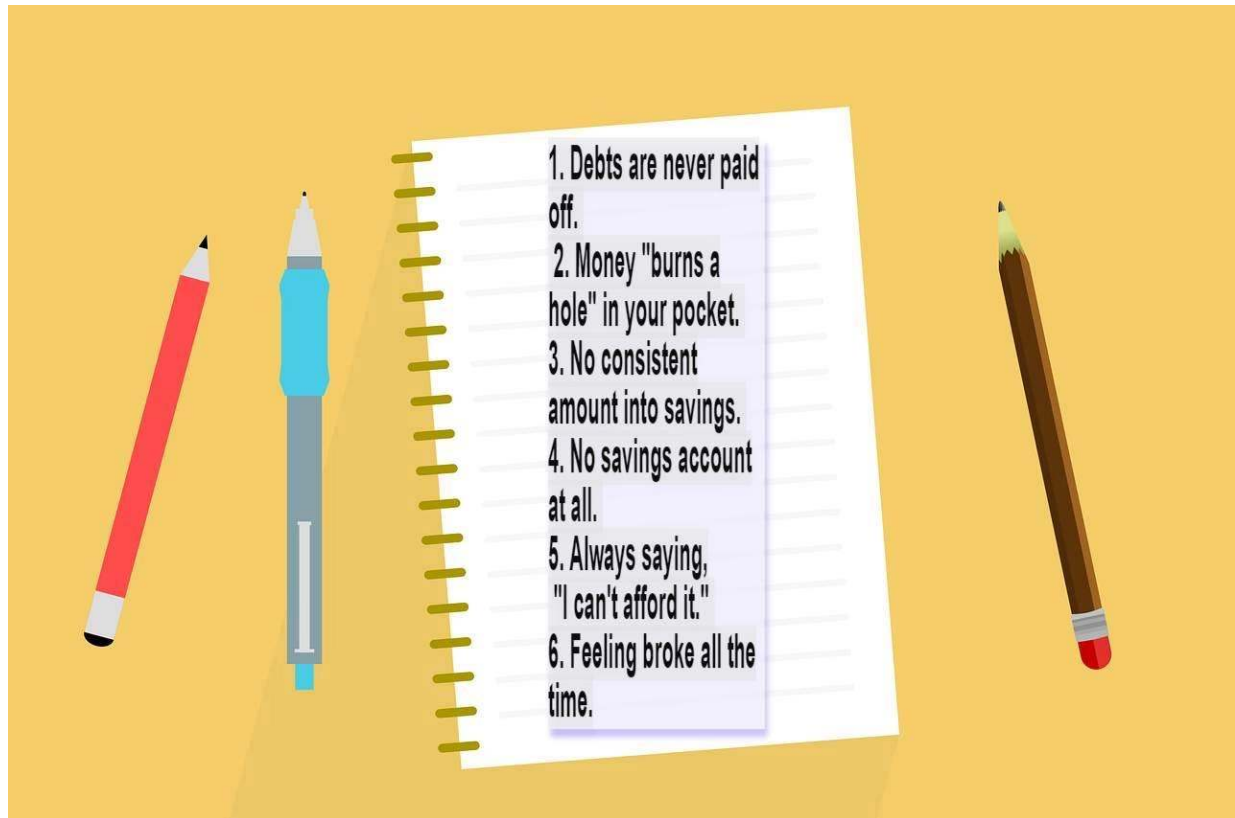
1. Your credit cards and other debts are never paid off.

Always paying a minimum balance on your credit cards and/or using one credit card to pay off another. This is an indicator that you need to work on your budget to get out out of that hole.

2. Money "burns a hole" in your pocket.

When you have available money, you will become very eager to spend it one becomes very eager to spend it. You are too quick to spend the money to spend on what you want instead of needs. It's like having money for a brief moment then it's gone.

3. No precise and consistent amount on how much or when you put money into your savings.



No consistent amount on how much or when you put money into your savings

One of the most important features of financial management is having a saving plan in place.

If you don't have a controlled plan putting money into savings – 10% of your net income always go to your savings as an example or other extra money you received like all bonuses from your work going straight to savings then, your savings will fade as you keep spending on things you want.

4. You don't have a savings account at all.

This should be one of your priorities with your budgeting plan. If you don't have an emergency fund or any savings it is a good sign that you need a budget.

5. You're always saying, "I can't afford it."

Have you been in a situation that your co-worker asks you to go out for lunch, or your friend asks you to go to an event, and you always say "I can't afford it"? This maybe true or not; but establishing a budget will help you identify what you really can and can't afford.

6. Feel like you never have enough money

Money can be deceiving- what seems like "a lot" can suddenly turn to be not enough. Creating a budget can help you grasp on what you really have.

You may be happily surprised that you have more than enough, or that it's realistic to make cuts so that you'll have enough.

Budget Basics that you should know

Thinking about [personal budget](#) but are not sure where to begin? Occasionally its begin with basics, such as outlining the budget and categories you want to include.

Here are some tips the will assist you to create a simple budget.



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Income

The first place to begin in the outline of your budget is with your take-home pay. It's fine to do an estimate no doubt; but ensure it's an estimation, not dreaming says some of the experts.

The income area of your budget is not the place to put down ideas. Look at your net income over the last three months and estimate average monthly income.

Otherwise, you might have income that changes month to month. This should therefore be easy to figure out your monthly income.

Your income should be the very first thing on your spreadsheet. Include all that you may have like paychecks, commissions, alimony or child support, bonuses from work, and other forms that may come only once a year such as gifts or tax refund.

Expenses

When you break down your expenses in more understandable numbers and categories, keep in mind that charitable giving of money should be listed as well as expenditures.

Expenses monthly are the next thing you should add to your spreadsheet or whatever tools and apps you use for budgeting.

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Expenses monthly are the next thing you should add to your spreadsheet or whatever tools and apps you use for budgeting.

Include utility payments, credit card payments, loan payments, and everything else that comes up every month.

Record the monthly amounts and due dates so you can place these items under your income that comes monthly.

The yearly expenses can be a bit challenging to include, but it's a great idea to do it. This will enable you to overcome the stress of coming up with money when they come up due each year.

This simply means that you'll need to make a spreadsheet for each month for the whole year so you can include this kind of expense.

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