



Managing Your Money - Savings and Budgeting

Getting your finances in order is as easy as keeping a spending diary, finding out where you can save money, creating a budget and making a savings plan.

Spending diary

Start with a spending diary that tracks what you spend your money on for a month. You can buy a small notebook and start writing down what you spend your money on each day. Or if you use Online Banking, print your last month's statement and write down what each item was.

Save some money

Once you have your month long spending diary, select ten things you could live without, these are 'wants' rather than 'needs'. Wants could be some of those café coffees. Needs are things that you couldn't live without, such as electricity and home cooked meals.

Creating a budget

Now you know what you spend your money on, and you've found some things you can do without, the next step is working out how much you can save, by setting up a monthly budget.

Your budget is made up of three parts, first your income; this is how much money you have coming in.

Use your spending diary to help you fill out the second part, your expenses. Expenses are what you spend your money on.

When your expenses are subtracted from your income, you'll know what you have left.

See the Budget Template on the following page!

Make a savings plan

Think about what you would like to save for – setting yourself a savings goal can help you keep on track.

If you stick to your budget, you could spend a little bit more on your summer holiday for you and your family or friends. If you need more than that for your dream holiday, consider ways to save just that little bit more.

Try taking your lunch to work half the time, or buying your Christmas gifts on sale throughout the year, or opt for home-made burgers rather than that weekly take-away.

If some small changes could save you \$20 dollars a week, the next thing you know you could have doubled your savings!

Don't be afraid to share your budget with family and friends, as they can help you stay on track and learn along the way.

Learn more at westpac.co.nz/managing-your-money.

The information is provided for general information purposes only and does not take account of your particular financial situation or goals.



Budget Template

Your income – how much is coming in?

◦ Weekly ◦ Fortnightly ◦ Monthly	Income	Example (weekly)
Salary/wages/benefits including family assistance (after tax)		\$650
Interest on savings		
Rental income (after tax)		
Other income (after tax) eg. child support		
Total Income (A)		\$650

Tip: It's your choice whether this budget is weekly, fortnightly or monthly. But remember to be consistent all the way through.

Your expenses – how much is going out?

◦ Weekly ◦ Fortnightly ◦ Monthly	Expenses	Example (weekly)
Regular commitments		
Home loan payments/rent/board		\$200
Rates including water		
Credit card/store card payments		\$35
Hire purchase or other loan payments		\$35
Bank fees		
Child support/maintenance/childcare		
Regular savings/superannuation		\$15

Household expenses

Groceries		\$120
Power/gas		\$20
Phone – landline		\$20
Mobile phone		\$10
Internet/Pay TV/Sky TV		\$15
Home & garden maintenance/repairs		\$15
Other household expenses eg. furniture		

Tip: Don't count your spending twice. If you charge \$120 a week on groceries on your credit card, don't include that in the box for credit card spending.

Personal/family

Eating out/takeaways		\$25
Clothing/shoes		\$14
Hair/beauty		
Entertainment eg. movies, hobbies, CDs, DVDs		\$25
School fees		
Healthcare eg. doctor, dentist, prescriptions etc.		\$10
Membership/donations eg. sports club, gym		\$10
Pets/petcare		
Holidays		
Gifts eg. birthdays/Christmas		\$5
Other personal/family expenses		

Tip: Having your bank statements or a printout handy can help you fill this in.

Insurances

Home/contents		\$9
Car/boat		
Life/health/disability/income		\$10

Vehicle and transport

Vehicle registration/WOF		\$5
Car maintenance		\$9
Fuel/parking/fines		\$35
Public transport		
Other unexpected expenses		
Total Expenses (B)		\$622

Tip: It's best to overestimate, not underestimate. That way you won't be caught short.

How much is left over?

Your total income (A)		\$650
Your total expenses (B)		\$622
How much is left over? (A – B)		\$28

Tip: Now may be a good time to consider if there are areas where you can save.