

Financial Planning

- Control your day-to-day spending
- Choose and set long-term financial goals
ie. education, trips, events
- Build a “safety net” for unexpected disasters

Controlling your day to day spending involves understanding the importance of budgeting



- A budget is crucial to your financial success
- Do you have a budget?

What is a Budget?

- A budget is a guide to help you understand where you spend your money and to make you aware of your spending habits



Know Your Spending Habits

- Track your spending for the next 3-4 months
- Collect all your bills & receipts, and jot down all expenses (including small purchases)
- You will be surprised how much money we can dribble away with those small expenditures



Set Up Categories

- After you track your spending habits, you need to set up categories that are reflective of your unique situation
- Do not try to fit your spending habits into someone else's categories

Record Your Expenses

- Once you have identified your monthly expenses then you have to record them each month
- You cannot control your money if you don't know where it is going!

Set Goals

- Set goals and make adjustments
- Once you have identified your spending habits you will be able to know where you can cut corners comfortably to start saving
- What are possible ways of saving money?
- Needs & Wants: do you know the difference?



How to Make a Student Budget



Planning the Budget

Work out what's available to spend (loans, grants, income from job, etc.)

- Work out likely costs (prioritise necessities)
- Put a weekly cap on certain types of spending (nights out, takeout food, etc.)
- Keep tabs as you go (use bank statements as a tool to help)

Setting Financial Goals

- Identify and write down your financial goals
- Break down each goal into short-term (less than one year), medium-term (1-3 years) and long-term (5 or more years)
- Educate yourself by doing research on money matters through books, seminars, internet searches, and talking to financial planners
- Evaluate and review your progress monthly, quarterly or annually
- Rework plan if necessary

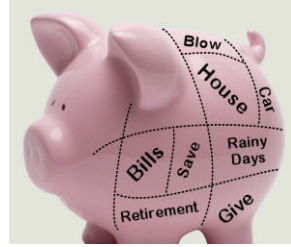


Money Management Tips



- Strike the right balance. Don't make your budget so tight that you feel constrained.
- Be your own person. If you're with a group of people who are going out and flashing the cash, you don't have to do it.
- Live like a student: You get specialist banking services, discounts at stores, cards and vouchers that give you discounts.
- Be savvy: Read the details of your overdraft, your bank account, any credit cards you have so that you can find the deal that's most suitable to you.

More Tips



- **Pay on time and as directed.** This is the key to building up a solid credit history. Whether it is your cellphone bill, utility bill, student loan, or credit card, be sure to transmit your payment at least five days before the due date to allow for processing, and try to make double the minimum payment.
- **Use cash as much as you can.** If you can eat it or drink it, or if it costs less than \$20, use cash to pay. Small purchases like these can really add up and can send your budget reeling.
- **Open a checking and savings account.**

- **Look for ways to save money.**
- **Avoid credit card debt.** The best way to manage debt is to avoid it. Remember that between interest payments and the potential of over-limit and late fees, you will likely end up paying a great deal more for everything you do and buy.
- **Remember the consequences of abusing credit cards.** If you cannot responsibly handle credit, you may lose out on jobs or student loans, or be denied an apartment or car loan.

Money Saving Ideas

- Buy less & cut out nonessentials
- Buy items on sale
- Shop around
- Barter/exchange services
- Pay yourself first: put it in a non-touchable account
- Check out moving/garage sales, thrift shops and flea markets



More Money Saving Tips

- Wait a week before buying
- Use library books
- Recycle or exchange items with other people
- Share a meal or take a doggy bag
- Do your own manicures, facials, car tune-ups
- Visit Craigslist, SurreyReuses.com & swap groups
- Be creative – make your own gifts, card, sewing
- Turn off lights and appliances when not using