

# A Spending Planner

## Why do I need a spending plan?

A successful spending plan helps you control your spending. This way, your spending doesn't control you! It guides you so you get the most for your money. By taking time to plan you will be able to:

- Buy what you need and want within your income
- Have a record of where your money goes
- Cut down on the worry over money, and
- Talk with your family about their needs for the future.

*Planning upcoming expenses can avoid arguments over money later.*

## How to get started . . .

*A Spending Planner* is a worksheet. It has four pages and starts on the next page. It can be prepared like a booklet—copy pages one and two back to back; then pages three and four in the same way. Staple together in the left corner so that it opens like a booklet. Store this worksheet in a file folder. Keep bills, receipts and banking information inside. This provides you with important records of your spending.

*Forms* for planning and tracking your spending are included in this resource. Select the forms that are useful for your situation. Follow the links below to find:

- [\*Form SP10—Planning for Irregular Expenses for the Year\*](#)
- [\*Form SP20—Tracking Your Spending\*](#)
- [\*Form SP30—Recording Account Transactions\*](#)
- [\*Form SP40—Tracking Loan and Credit Payments\*](#)

## Six steps for success!

Follow these *six steps* to set up a spending plan for the month:

1. Set goals.
2. Identify family income.
3. Review last month's spending so you can estimate upcoming expenses.
4. Put numbers in your plan. Do you have enough money (income) for the expenses you expect?
5. Make your plan work! Cut expenses so you do not overspend. Income needs to balance with expenses.
6. Plan for the future. Review how things worked—what went well? What needs to change for next month?

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# A Spending Planner

## Learning About Money

### Keep a spending calendar



*A calendar is a useful planning tool.* It can help you get organized and show at a glance when you are paid and bills are due.

Start by filling in the dates on the calendar below for the coming month. Circle the dates you receive income. Next, mark the dates and names of upcoming expenses e.g. 1st—rent; 15th—phone bill, etc. Use a pencil so you can change information. This will help you plan and track your money.

Complete a worksheet each month. This will give you a spending record. You will be able to see where your money goes and plan for the future.

Month of _____						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Take time to plan!** For example, take an hour at the beginning of the month to set up your plan. Then, in the middle of the month set another hour aside to see where the money is going. Adjust expenses as needed. Also, review bank statements and check balances to stay on track. At the end of the month look at your **actual income and expenses** to see if they balanced. Now plan again for the next month . . .

Set up your plan

**1**

**Set goals:**

Write down the things that are *really important* for the month ahead. Things you need to do, or bills you need to pay. Decide if you need to put money away for future expenses.

See *Form SPI0—Planning Irregular Expenses for the Year* to start saving for irregular and annual expenses. Later, set *goals* for saving in the future. See *SP120-4 Financial Goals*.

**2**

**Identify your expected income for the month:**

<i>Expected income:</i>	<i>Name</i>	<i>Date</i>	<i>\$ amount</i>
<i>Salaries/wages:</i>	_____	_____	_____
	_____	_____	_____
	_____	_____	_____
<i>Child tax benefit:</i>		_____	_____
<i>Other income:</i>	_____	_____	_____
	_____	_____	_____
		<b>Total income (A)</b>	_____

**3**

**Review last month’s spending:**

Did you pay all your bills last month? Is there something special coming up? Review your plan from last month. How did it work out? Now, think about the expenses for this month.

**4**

**Put numbers in your plan:**

Fill in the chart on the next page.

- First, mark down your *total income (A)* from Step 2 in the space provided.
- Next, *estimate your expenses*. Be sure to include savings and any credit payments you have. Follow the “*Expense item list*” so you do not forget anything. Total the estimated expenses.
- Now, take time to *determine your cash flow*—see the shaded work area. Write down your regular bills and credit payments for the things you *need to pay*. Add them up. Do you have income left for other expenses? If so, plan for the things you would like to buy—your *wants*. These are flexible expenses and are the first things to cut back on if you are short of money.
- *Total all the expenses you have written down in the needs and wants columns*. Compare with your total income (A). *Do they balance?* Do you have enough money to pay for everything? If not, then *read Step 5* to find out how to *cut costs* to match your income.
- To keep track of your *actual spending*, write down the expenses you pay in the column marked *Actual \$* on the right. Use this information for planning next month’s spending. It is your record of expenses.

*Avoid overspending. It will help you stay out of financial trouble.*

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My income for the month is \$ \_\_\_\_\_ (A)

Learning About Money

Date	Expense item	Estimated \$	Needs	Wants	Actual \$
Savings:	<b>Savings:</b> • Irregular expenses				
Fixed expenses:	<b>Housing:</b> • Rent/mortgage • Heating • Electricity • Water • Insurance				
	<b>Food:</b> • Groceries at home				
	<b>Phone(s):</b> • Home				
	<b>Cable TV/Internet:</b> other:				
	<b>Medical:</b> • Insurance/drugs				
	<b>Child care:</b>				
	<b>Personal money:</b> e.g. allowances				
	<b>Transportation:</b> • Bus fares • Car—gas/oil				
	<b>Others:</b> e.g. pets, life insurance, etc.				
Flexible expenses:	<b>Recreation:</b> e.g. memberships, movies, hobbies, etc.				
	<b>Others:</b> e.g. clothing, gifts, personal care, donations				
Credit:	<b>Credit payments:</b> Fill in <b>Form SP40</b> e.g. car loan, credit payments, etc.				
	<b>Total B:</b>				

Compare Income (A) to expenses (B) = \$ \_\_\_\_\_. Do they balance?

**5**

### Will the plan work?

*Does your income balance with your expenses?* If not, you need to *cut costs!* Start by cutting back on your *wants* first. Does it balance now? If not, work at cutting other costs. If you can not make your income balance expenses, then decide if you need help to solve this problem.

For non-profit credit counselling services in Canada, check [www.creditcounsellingcanada.ca](http://www.creditcounsellingcanada.ca) for agencies in your community.

**6**

### Plan for the future:

Mark down upcoming expenses and things you want for the future. Use the box below to keep track of credit card purchases, payments; or statement balances.

#### Notes and reminders of future expenses . . .

- *Include birthdays, holidays, other special events*
- *Mark down credit card purchases, statement balances, or other information.*

#### Acknowledgement:

*This worksheet has been revised and adapted with permission from Manitoba Agriculture, Food and Rural Initiatives, 2005.*

**Internet:** [www.basicskillsforliving.ca](http://www.basicskillsforliving.ca)

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