



## MANAGING YOUR MONEY

When people of a household budget they tend to think of sacrifice but it's really about managing your money more effectively.

Once you have a clearer understanding of where your money is coming from and where it is going you'll be in a stronger position to pay down debts and achieve financial and lifestyle goals in the future.

Where am I now?

The first step is to establish your current financial position; what you earn (income) and how much you spend (cost of living and debts). Once you have an understanding of your income and expenses, and how frequently you earn or incur them you can create a view of your income and expenses on weekly, monthly and annual basis. The money leftover can then be used to set up a savings plan.

Where do I want to be?

Now that you know how much money you can afford to put away each month, you can start to put in place a savings plan. Your savings goals may be short or long term but it's good to make it something that's achievable.

When is the right time to begin saving?

Most of us know the importance of saving, however many procrastinate for months or even years.

The benefit of starting early is the impact of compound interest. Compounding is when you reinvest the dividend or distribution you earn on an investment. Over time, the reinvested earnings can generate additional capital.

Developing a regular savings plan is a great way to start planning for your future.

Tips to get started:

- Decide on your priorities and choose something to save towards.
- Set realistic targets otherwise you may lose interest and motivation.
- Set up a dedicated bank account for your savings fund.
- Make savings automatic. Almost all banks offer automated transfers between accounts.
- Check your progress every month. Watching your savings grow is a great way to inspire you to save more.

Make a start today and hit your goals sooner.



Walker Wayland (NSW) Financial Services Pty Ltd is a Corporate Authorised Representative (No. 258381) of Capstone Financial Planning Pty Ltd. ABN 24 093 733 969. Australian Financial Services Licence No. 223135. Information contained in this document is of a general nature only. It does not constitute financial or taxation advice. The information does not take into account your objectives, needs and circumstances. We recommend that you obtain investment and taxation advice specific to your investment objectives, financial situation and particular needs before making any investment decision or acting on any of the information contained in this document. Subject to law, Capstone Financial Planning nor their directors, employees or authorised representatives, do not give any representation or warranty as to the reliability, accuracy or completeness of the information; or accepts any responsibility for any person acting, or refraining from acting, on the basis of the information contained in this document.