



Congratulations on purchasing this e-course – I'm very happy you did because it's my goal to get you on a better financial footing in life and I believe if you follow this course that you will certainly succeed in doing just that! I've done it – this is how I did it and I want you to be able to do it too!

We've included 4 free printables in this course as a "Thank You" – we appreciate you trusting us.

This e-course is designed in five simple sections. The time it takes you to complete each section is up to you but I do urge you to stick to it and complete each section before going onto the next.

This e-course is laid out in simple to follow and read ways to make sure that anyone who wants to change their financial position will be able to if they follow the guidelines.

The five sections that we will be covering are:

1. Financial Guidance
2. Your Debt Reduction Plan
3. Conquering Budgeting Easily
4. The Savings Plan
5. Goal Setting

Since we're just starting out on your savings journey it's important that you start right. We suggest you begin with organising a HOME FOLDER - it will stay with you for years and help you continuously save and thrive at home. You can find instructions on how to organise your home folder on the Money Savvy Mums website – you'll also find tons of printables to use in your folder there too!

The first step on your way to success is to know where you're starting from so we'd like you to complete The Financial Guidance Sheet below, fill it out and then we can work out where to start!

SECTION 1 – Your Financial Guidance Sheet

Where are you financially? It's important to know this if you're going to be in control of your money and make it work for you and your future.

OK, let's find out where you TRULY are!

1. List **ALL YOUR BILLS**. If you have paper bills then get them all out and list them on the sheets provided. You might need to print out 2 sheets of this table if you have a lot of bills. Here's an example.

Phones (mobiles, landline)
Internet
Electricity/Gas
Rent/Mortgage
Food/groceries/pet expenses
Petrol
Registration/Car payments
Car servicing costs/tyres
Insurances (health, car, life etc)
Medical costs (Doctors, specialist visits)
Foxtel/Pay TV
Credit Cards/Store cards
Transport (bus, rail etc)
Hairdresser
Memberships
Fines
Loans (furniture, personal etc)
School/education costs

Then list all the other things you buy regularly. Try jotting down every expense you make as you do it for a week to get a realistic idea.

Lunch/coffee
Movies/Gaming/Gambling costs (Lotto etc)
Make up/beauty
Jewellery
Clothes/shoes
Take Away Foods/snacks
Manicures
Cigarettes/alcohol/medications/vitamins

Don't kid yourself here – list everything you can think of that you spend your money on throughout the year. This is for your financial benefit so it's no use pretending you don't spend money, when you do.

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Now you have a list of where your money is being spent you need to tally it up.

Firstly we'll total up the amount for a full year to get an estimate of your cost of living. Yep, 12 months of bills!

For example;

Multiply your monthly phone bill by 12.

Electricity by 12 months or by 4 if you are billed quarterly

Rent by 52 or Mortgage by 12

Food by 52

Petrol by 52

Hairdresser by 9 or 12

Do this for all the bills then add them all up together to get a total amount for a good estimate of your yearly expenses at this time.

This amount is still probably a very conservative one because during the course of the year other costs pop up that you may have forgotten or are not expecting. Things like gifts, parties, repairs, a night out etc. So we recommend adding another \$1500.00 to your yearly total for miscellaneous or unexpected costs. (This is only @ \$30 a week)

Now divide the total yearly amount by 52 to give yourself your weekly cost of living amount. *How does this look to you?*

YEARLY INCOME MINUS TAX	
YEARLY EXPENSE (as above)	
Minus expenses from income to give difference	
Divide by 52 to give weekly saving/debt	

What's your yearly income – minus tax of course.

Is it more than the total yearly expense amount that you've listed above?

If it is then you should be saving money and getting ahead in life.

If not, then you'll need to reduce your bills and debts immediately.

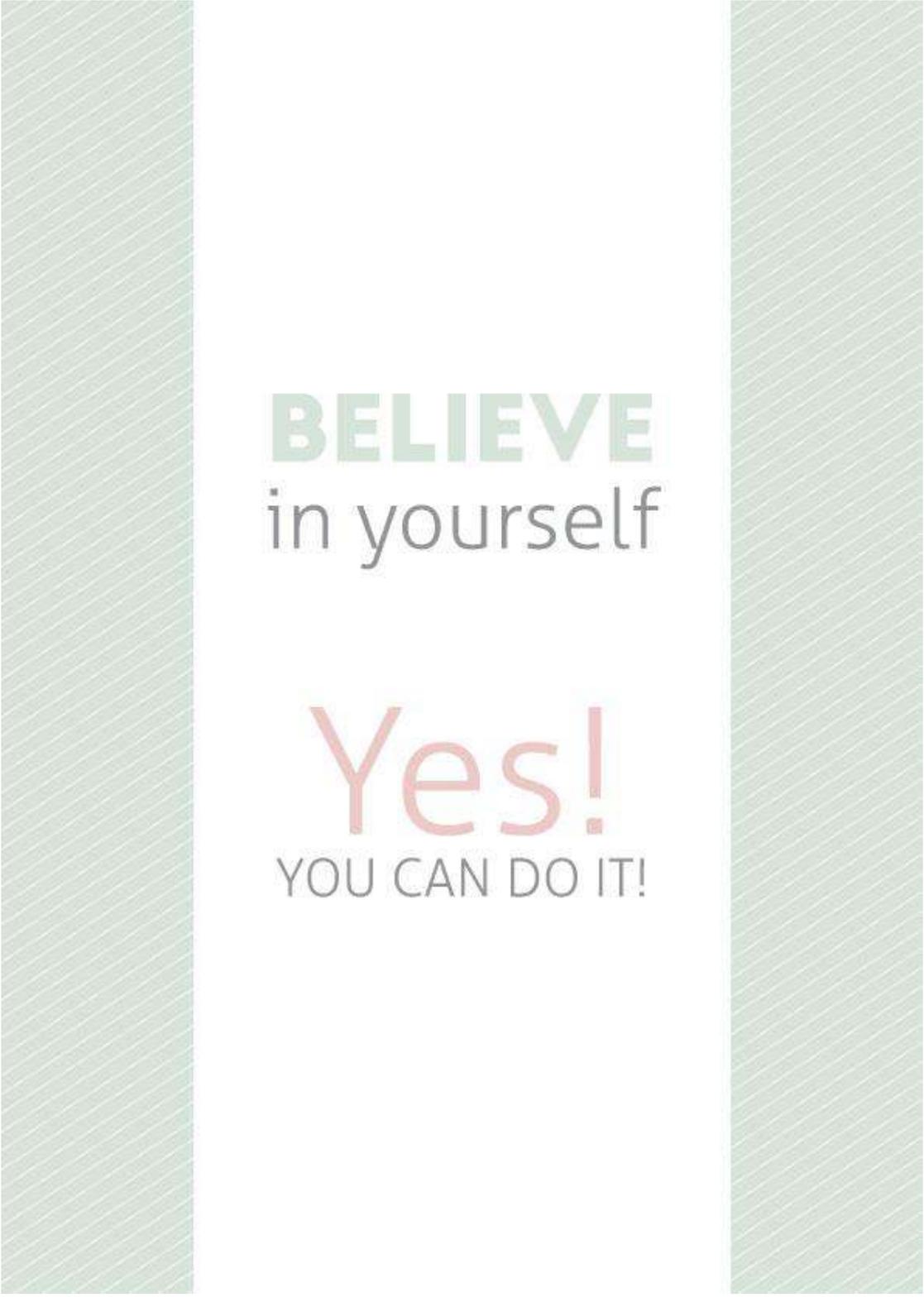
Unfortunately, you will never get ahead if you don't.

Luckily at Money Savvy Mums we have a whole bunch of ways to reduce bills and debts so you can start to enjoy planning a better life and future. It's not difficult to live within your means, it just takes a bit of self control and commitment. Do you want an easier financial life and savings?

Then we've got the answers, and it's not as hard to do as you might think.

Give us a try and we'll show you how to succeed!

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BELIEVE
in yourself

Yes!
YOU CAN DO IT!

SECTION 2 – Your Debt Reduction Plan

In the last section we asked you to fill out **The Financial Guidance Sheet** to give you a true idea of where you are financially at this stage in your life. If you're like many and have found that your debts are holding you back then this week we're going to help you get them under control.

Now we want you to print out the **Debt Reduction Plan** below. Go through the sheet and work out your debts in the order suggested and set up the strategy required.

These two steps are as complicated as it gets here at Money Savvy Mums so please persevere so we can get you on the right and easier path!

Money Savvy Mum's debt reduction plan works effectively and quickly if you stick to the strategy! We've come up with a way to knock your debts down for good, one by one in a 6 step program that you can set up today. It's an easy system that you can set up to happen automatically if you have access to Internet banking. Interested? Great, here's how it works.

Step 1. Let's do a quick budget to see where you are financially right now. Make a list of all your monthly debts and spending. We've made this easy by you filling out the Financial Guidance Sheet in section 1. Now add up this spending and subtract it from your monthly **take home wage**.

Step 2. Now you need to list all of your debts but list them from the lowest amount owing to the highest. (Not the interest rates, just the actual amounts you owe)

Step 3. It's time to look at your quick budget and see where you can use some extra money from to go towards paying off your debts. It doesn't have to be a huge amount, but the more, the better! That's where the Money Savvy Mums website comes in handy – we show you how to cut costs in many aspects of your life so you can reduce these debts and start growing some wealth! Consider your Internet/phone/pay TV bills, can you bundle or get a better deal? What about dumping a gym membership or ringing the bank to reduce interest rates? Anyway take a good look at your spending and see where you can use the money better.

Step 4. Now look at the list of debts you've made and the payments you make on them. To make this system work you now have to only pay the minimum amount required on all the debts except the first debt on your list, the one with the lowest amount owing. This is the debt we are going to target first! If you've been making extra repayments on any of your debts it's now time to funnel all that money into this one debt first. It's also where all the 'extra' money you've found by reducing your expenses is going to now go. Set up this payment to be made automatically through your bank and also throw any other money that comes your way in the form of gifts, rebates or a tax return for instance on this debt. You'll be surprised how quickly you'll be able to pay this debt off.

Step 5. Now here's the kicker – once you've paid off this first debt you can now put all the money that you were paying on the first debt onto the second along with the second's minimum payment. So this means that the minimum amount from the first debt, the minimum from the second debt and the extra money that you have from being money savvy will be applied towards the second debt on your list. Set up the automation for this new payment so your debt reduction plan stays in motion.

Step 6. Once you've paid off your second debt it's time to transfer ALL of the money you were paying each month to the second debt and now apply it to the third debt on your list, along with its minimum payment. This means the third debt will be getting: the first debt's minimum, the second debt's minimum, its own minimum, plus the extra money you found by being money savvy.

OK! Now again make sure you set up the automation process and continue with the cycle until you're debt free! The system has a way of speeding up as you go along so that even the debts with the highest interest rates won't be an issue for you any more – you'll be able to pay them down efficiently and effectively!

We've included a form below for you to fill out for each debt so you can keep track of your progress. You'll be able to enter the exact amount you have paid per month and see the balance owing each month.

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IT ALWAYS
seems
IMPOSSIBLE
untill it's
done.



SECTION 3 – Conquering Budgeting Easily

Last week we wanted you to work through the Debt Reduction Plan so you could begin the path to an easier financial life. We hope you've taken a look and can see how valuable that little plan is!

This section, section 3, we'd like you to think about budgeting and how it can be incorporated into your lifestyle.

Feel empowered, knowing that you're taking control of your financial future by developing a budget.

Step 1) Your financial goals

Chances are that a primary reason for creating a budget in the first place for most people is that they have a financial goal. Sit down and make a complete list of goals. Nothing is wrong here, they won't all get accomplished instantly but you can accomplish them.

Let's start the list off by looking at some sample goals.

Sample goals

- Be debt free
- Moving out of home
- Buy a car
- Buy new supplies
- Develop an emergency fund
- Housing/down payments
- Start a small business
- Take a holiday
- Take time off work

These goals are all equally valid and personal to their owners. The truth is that a lot of money waste that occurs happens because people don't take the time to think about what they want and would like to save for, and they use the money on other things instead. Providing yourself with goals is going to help motivate you to stick to a budget once it's set.

Get the family involved

If you have a partner, children, or other members of your immediate family – get them involved in this process! By taking time as a family to think about goals every one can get on board with, you increase the number of people committed to the budget, and also the number of people working towards these goals.

Saving is also an incredible gift to give a child, it's a lifelong habit that can stay with them forever as they go into managing their own finances.

So get the family involved, from beginning to end. Have progress meetings, assess how you're all doing, and track the spending. This sets up a loving environment of commitment, support, and mutual goal orientation that just might turn everyone's dreams into a reality!

Step 2) Figuring out the expenses (Refer to your Financial Guidance Sheet)

Now that you know what you're saving for, it's time to figure out where you're going to get the savings.

The key here is identifying how much money is coming in and how much is going out, and where the money that's going out goes to. Start by figuring out your income, it should be easy enough to project. Once you have this information, you know exactly what you have to work with.

Now it's time for the expenses. Be honest with yourself. Don't just write down the essentials; write down the expenses you're currently using on luxuries and impulse buying. It's only by knowing what you're spending on that you can control your spending.

Fixed expenses are unavoidable bills that you must pay monthly. The mortgage, loan repayments, Internet and phone are examples of fixed expenses.

You could choose to include your savings account in this list, this way you'll see saving as a permanent occurrence.

Variable expenses include food, eating out and shopping for clothes etc. Don't forget to include them too – every expense must be listed.

Step 3) Analyse your spending

It's time to get realistic with yourself. Start keeping a financial journal, or using software to track your spending. It's not always easy to remember to record that \$2 latte, but it is critical to the success of your budget. You need to know exactly where your money is going to do a proper analysis of your spending.

Once it's all there, sit down and look at it. Let it sink in. Figure out your spending patterns, both good and bad, and use that information to help set your budget up for success by being realistic – both about what needs to change and about what can't. Ask yourself "where can I save some money?" remember you're doing this to have a better and easier lifestyle in the future.

Step 4) Put the budget together (Refer to your Debt Reduction Plan)

OK, you have all the facts. How much is coming in, how much is going out, where it's going, and what you want to do about it. This is where a lot of people stop, but they shouldn't.

Understand that by taking control of your personal finances, you aren't restricting yourself, you're freeing yourself to actually start achieving the savings goals and dreams that you and your family hold. Budgeting doesn't have to be a bad word at all.

Take some time and figure out what expenses can be reduced, how much is currently available to save, and what you can do to improve that last number.

How much should you be saving?

No one can answer this question for you. You know what your goals are, you know what your income is, and you need to determine a number that's realistic but also somewhat comfortable. This is how you create a sustainable budget, by designing one that you can handle sticking to.

Don't forget emergency savings

A lot of people put emergency savings out of their mind, especially in times of difficulty. This is a mistake. Emergencies happen, they happen often, and they're always unexpected. If you don't have money to fall back on during this time, you will only fall further into a bad financial situation – potentially putting yourself into crisis mode. If you're not careful.

You should aim to have saved enough to keep yourself running for at least 3 months. 3 months is enough time to get a new job, to recover from funeral expenses or a car accident, or to replace that dishwasher that just broke and still have plenty leftover. Don't ignore your emergency savings, be prepared!

Step 5) Put the pedal to the metal – time to act!

You've identified goals, analysed expenses, set up a budget to work with both... all that's left now is to follow the budget!

Keep in mind that you will need to track your spending and income continually as you follow the budget, to ensure you're still properly accounting for all expenses and income and that you're on track for managing your finances.

Consider the following tips when tracking the progress of your budget:

- Always record your pay amount and date
- Pay expenses on time so you can accurately assess how much money that you have
- If you find yourself coming up short, re-evaluate your accounting of the expenses and income, and look for ways to reduce expenses further.
- Anything leftover can be saved!

What do I do if my income is not stable?

Not having a stable income is no reason not to have a budget. Keep track of your income as it comes in, and where it's going, just like any one else would. This tracking will actually enable you to average out your unstable income, to make sure you're still living financially realistically.

If you're struggling with constantly spending your income as soon as it comes in, consider separating out your accounts into a holding account, and a spending account. Deposit all of your income into holding first, only paying yourself as you need to, to control your spending. This really slows down spending and is a great way to responsibly handle irregular pay checks.

Remember that there's almost always a way to cut expenses if you need to, so don't be afraid to take a hard look at yourself!

Step 6) Seasonal expenses

Christmas, birthdays, holidays. They're all recurring expenses that most of us have, and that we know are coming. Work these expenses into your budget by creating a way to track them.

Begin by developing a binder, to keep track of the expenses. Then separate out a certain account for seasonal savings, and allocate some of the budget towards it. When you have a seasonal expense, spend out of that account and record it. This enables you to still be able to carefully track seasonal expenses, and keeps them factored into your budget. In fact, over the years you'll only get better at budgeting for the seasons, knowing your average amounts that you need because of your careful management!

This kind of thinking is exactly the type of forward thinking that ensures that you've not only set up a budget, you've set up a sustainable financial future for yourself and your family. That's a peace of mind that not a lot can provide, and you have earned it well by this point!

Step 7) Assess, reassess, and reassess

Life is always changing. Maybe you've changed jobs, maybe you got a raise, maybe you're having a baby. All of these things call for the need to assess, reassess, and reassess your budget. Don't be afraid of this, it's normal.

The first stages of assessment will come early, when you first develop the budget. As you're tailoring it to fit your actual expenses, you may find you did not allocate enough for your expenses, or that you overspent and need to go back to analysing spending. This is fine! By taking time to sit down and be honest with yourself, you'll tweak that budget to perfection.

In the first year of your budget, you need to aim to have this sit down at least monthly. After the first year, if all is still going well, you can review it a little less frequently, but always have a firm grasp of what's coming in and what's going out – and where it's going out. The longer you do this, the better you'll get at it, so don't get discouraged!

As you increase your income and savings, you may even find room to give yourself a bit of "blow money" that you can use on whatever you want. Enjoy these moments, and don't be afraid to savour them. You've worked hard, you deserve a little splurge – every now and then.

A word on credit

Credit is a tool, a tool for affording things we cannot quite reach yet. But it should only be used extremely carefully. Keep the following tips in mind when interacting with credit to avoid the debt trap.

- Always pay more than the minimum amount due on credit cards. This ensures you're chipping away not just at interest, but also at the debt itself.
- Keep reasonable credit card limits that allow you to pay them off within a year at most.
- Only keep one to two credit cards, you shouldn't need more and having more will only tempt you to spend more.
- Pay your credit cards off. Every month. All of them. On time!

A decorative arrangement of six light pink floral icons. Three are larger, multi-petaled flowers, and three are smaller, three-petaled flowers, arranged in a circular pattern around the top text.

Always have a plan,
and believe in it.

Nothing happens
by accident.

- *Chuck Knox*

A decorative arrangement of six light pink floral icons, identical to the top section, arranged in a circular pattern around the bottom text.

SECTION 4 – The Savings Plan

In this section we're going to try and encourage you to think about saving some money for the future.

If you did the Budgeting Page last section you'll be familiar with how to work out a budget for your family. If you have worked out your budget already then you'll know how much you could possibly start to save.

We've designed a printout to help you save.

We've got tons of information on the Money Savvy Mums website to also help you with saving money.

SAVING PLAN

You can set up and keep track of your saving plans easily with this print out.

The idea is to set the amount you want to save and then divide the amount by the time you want to save it in. This will give you the amount you need to save every week to achieve your goal.

For example;

Saving goal divided by 52 will give you the weekly amount needed to save for the goal in a year. Divided by 26 will give you the weekly amount needed for six months and divided by 12 will give you the weekly amount you need to save for 3 months.

\$1200.00 divided by 52 equals @\$23 – So I'll need to save \$23 a week to achieve this saving goal in a year.

\$1200.00 divided by 26 equals @\$46 – So I'll need to save \$46 a week to achieve this saving goal in six months.

\$1200.00 divided by 12 equals \$100 – So I'll have to save \$100 a week to achieve this saving goal in 3 months.

Tips to help you get there!

- ✓ Save any loose change in a jar and add it to your savings each month.
- ✓ Add any 'extra' money you may get to the savings (eg; gifts, winnings)
- ✓ Make sure what you are saving for is the best value you can find.
- ✓ Set up a reminder on your phone to "Stick to your saving goal today!"
- ✓ Never 'dip into' your savings – pretend it doesn't even exist!

WORRYING
DOES NOT EMPTY
TOMORROW
of its troubles

it empties
TODAY OF ITS
strength

- *Corrie Ten Boom*

SECTION 5 – Goal Setting

Welcome to section 5, the final section of your structured financial guidance e-course.

When you have an idea about what it is that you do want, there are three simple steps that you need to take to set and achieve a goal.

This week is about Goal Setting.

Using the Saving Plan from last week you can start to see how it is possible to start saving and planning for the future. You don't have to start big, you can just start with say \$50 and build from there.

Setting goals and then watching them come to fruition is very satisfying!

Let's get started with the process of goal setting

1. Define your goals

It's time to determine your short, mid and long range goals. Write down a list of the goals you want to achieve.

Some examples could include:

- Holiday
- School Fees
- Share Portfolio
- Mortgage Paid Out
- Retirement Fund

Now make them specific with the amounts they will cost and also make them realistic. What returns, interest are you expecting to achieve. Use this calculator to determine amounts and of course use realistic estimates.

Prioritise your goals in a logical order and then you're ready to go to the next step.

2. Set milestones within goals

Setting milestones helps you stay on track. Reaching each milestone will encourage you, you're going in the right direction and your goals are being created.

Some examples of milestones could include:

- Savings plan for a holiday with **amount targets** throughout the year
- A regular **savings deposit set up** for the school fees that is affordable
- A target of say \$2000 a year to contribute to a share portfolio – **\$40 weekly**
- Paying a little extra on the mortgage every month
- **Contributing more** to your superannuation fund

3. Now it's time to act

Having a plan is crucial to goal setting. Plans keep you on track and keep you focused.

Write your goals and the milestones you think are achievable on a sheet of paper or board, somewhere where you will see it.

You need to write the time frames down next to the milestones so you are motivated to save – you don't want anything to get in the way of achieving your goals.

Nothing is perfect in life so when milestones aren't met or goals seem too far away know that it's just a glitch, things will get back on track. **DO NOT GIVE UP!**

On a quarterly basis review your progress, and continue to refine your plan so your goals are kept achievable. If you aren't meeting your goals, go over your budget and see if there are any ways you can cut expenses or make extra money in order to keep your goals alive. In addition, allocate part of any windfall or bonuses, inheritances, tax refunds, etc that you might receive to your goals to get their quicker!

Congratulations on committing to a better and easier life for yourself and your family – we encourage you to use the free information on the Money Savvy Mums website to manage not only your household and budget but your life too so you can thrive!

We hope you learnt a lot and now have the knowledge to control your financial future!