



## Budgeting and Cash Flow



# Spending Plan Percentages



These suggested guidelines may be helpful to you in planning your budget. Some may need to be adjusted depending on your individual situation; but remember, the total must not be more than 100%. Your priorities and goals determine your personal percentage allocations.

<b>Church &amp; Charity</b> .....	Aim for 10%
<b>Housing</b> .....	25 to 35%
(Utilities, mortgage or rent, taxes, insurance, repairs)	
<b>Food</b> .....	10 to 15%
(Groceries, eating out, household cleaning supplies)	
<b>Healthcare</b> .....	5 to 10%
(Medical, dental, vision, prescriptions, insurance)	
<b>Auto/Transportation</b> .....	10 to 15%
(Car loan, gas, insurance, repairs, licenses, tolls, train/bus fare)	
<b>Clothing</b> .....	3 to 7%
(Clothes, shoes, coats)	
<b>Recreation and Entertainment</b> .....	2 to 10%
(Movies, club memberships, vacations, cable TV, internet)	
<b>Savings and Investment</b> .....	5 to 20%
(Retirement savings, investment programs, general savings)	
<b>Personal/Household</b> .....	2 to 7%
(Gifts, cell phone, pets, life insurance, child care, personal grooming, children's allowance)	
<b>Cash Reserve (Rainy Day Fund)</b> .....	6 months of fixed expenses

Obviously you can't spend at the high end of each category and have a balanced budget. If you have additional needs like saving for children's college, paying down existing debt, or other items specific to you, other percentages must be adjusted to compensate.

# Personal Cash Flow Analysis



## What is cash flow and why is it important?

Cash Flow is simply what funds are coming in and what funds are going out, and is helpful in any financial planning task. Tracking your cash flow can be helpful in several ways:

- When preparing an initial budget, it is helpful to track cash flow for several months to get an accurate picture of what items your budget needs to take into account. A Cash Flow Analysis tells you exactly where you spend your dollars.
- A Cash Flow Analysis can be a valuable tool to show your children or spouse a snapshot of your financial situation and can be used as an educational tool. It can also highlight areas where you may be able to cut expenses if necessary.
- Analyzing your cash flow is your reality check. The difference between what comes in and what goes out helps you gauge the state of your financial health. When you have entered what comes in and what goes out, subtract the smaller from the larger to see whether you have a monthly surplus or deficit. If you have a surplus, put it in your savings, emergency or retirement fund.
- If net cash coming in is less than total cash going out, you will want to make some changes. You will need to cut expenses or increase income.

## Your Information

**Your Full Legal Name:**

**Spouse Name:**

**Phone:**

**Address:**

**Date:**

1. Enter the amounts for all your CASH COMING IN, and calculate the total.
2. Enter amounts for all TAXES WITHHELD
3. Subtract TAXES WITHHELD from CASH COMING IN to get NET CASH COMING IN.
4. Enter amounts for all your expenses. You may enter a total for each category on the shaded line.
5. Total all expense categories to arrive at CASH GOING OUT.
6. Calculate the difference between NET CASH COMING IN and CASH GOING OUT.

### CASH FLOW SUMMARY

1.	TOTAL CASH COMING IN	\$
2.	LESS TAXES WITHHELD	(\$ )
3.	NET CASH COMING IN	\$
4.	TOTAL CASH GOING OUT	(\$ )
5.	<b>SURPLUS OR DEFICIT</b> (circle one)	\$

CASH COMING IN	
ITEM	TIME PERIOD
	<input type="checkbox"/> LAST MONTH
	<input type="checkbox"/> YEAR-TO-DATE
	<input type="checkbox"/> LAST YEAR
Gross salary (self)	
Gross salary (spouse)	
Interest (monthly average)	
Dividends (monthly average)	
Rental income	
Other income	
<b>TOTAL CASH COMING IN</b> (ENTER TOTAL AS #1 ON CASH FLOW SUMMARY)	
<b>TAXES WITHHELD</b>	
Federal Income Tax	
State and Local Income Tax	
Social Security/Medicare Tax	
<b>TOTAL TAXES WITHHELD</b> (ENTER TOTAL AS #2 ON CASH FLOW SUMMARY)	
<b>Total Cash Coming In Less Total Taxes Withheld = Net Cash Coming In</b> (ENTER TOTAL AS #3 ON CASH FLOW SUMMARY)	

CASH GOING OUT	
ITEM	TIME PERIOD
	<input type="checkbox"/> LAST MONTH
	<input type="checkbox"/> YEAR-TO-DATE
	<input type="checkbox"/> LAST YEAR
<b>TITHE</b>	
Tithe (Church Giving)	
<b>SAVINGS/INVESTMENTS</b>	
Retirement Savings	
Investments	
College Fund	
Savings	
Emergency Fund	
<b>DEBT PAYMENTS</b>	
Mortgage or Rent	
Home Equity Loan/Line of Credit	
Credit Card Payments	
Auto Loan Payments	
Student Loan Payments	
Other Loan Payments	

CASH GOING OUT, CONTINUED	
<b>INSURANCE</b>	
Homeowners/Renters	
Health Insurance	
Auto Insurance	
Life Insurance	
Other Insurance	
<b>HOME AND HOUSING</b>	
Property Taxes	
Home Repairs	
Home Improvements	
Monthly Homeowners Association	
Utilities	
Phone	
Household Expenses	
<b>TRANSPORTATION</b>	
Gas	
Auto Repairs	
Transportation	
<b>HEALTH/MEDICAL</b>	
Out-of-Pocket Medical	
Fitness	
<b>FOOD/CLOTHING</b>	
Groceries	
Eating out	
Clothing	
<b>ENTERTAINMENT</b>	
Cable/Videos/Movies	
Internet	
Hobbies	
<b>OTHER</b>	
Child Support/Alimony	
Day Care/Babysitting	
Subscriptions and Dues	
Barber/Beauty	
Gifts and Donations	
Tax (State and Federal Income)	
Other	
<b>Total Cash Going Out</b> (ENTER TOTAL AS #4 ON CASH FLOW SUMMARY)	

# Personal Net Worth Statement



## Tips on figuring out your net worth

Calculating your net worth for the first time isn't easy. But once you have established a pattern, it becomes fairly simple to update on a regular basis. Each time you update, you will see the progress you are making.

- **BE HONEST** with yourself. Your assets are worth what you can sell them for, not what you originally paid for them.
- **STOCKS AND BONDS** should be valued at the market price on the date of your calculation.
- **YOUR PENSION RIGHTS**, if vested, and/or your share in a profit-sharing plan are part of your net worth.
- **TAX SHELTERED FUNDS** (IRAs, etc.) should also be included in your net worth calculation.
- Don't forget the **CASH** and other conversion values of your insurance. Your insurance company can supply these figures.
- **YOUR HOME** or other real property is worth no more than it would bring on the market, minus any sales costs. You can approximate the worth of your house by looking at the current prices of similar homes in the neighborhood, or you can ask a real estate agent. But remember, an agent may place the value high enough to permit bargaining.
- In general, **HOUSEHOLD GOODS** are worth far less than what you paid for them new, or what they would cost to replace. Unless you have rare antiques or art objects, your furnishings are worth only what they would bring on the secondhand market. Automobiles are worth what you might get from a used car dealer.
- You can make your **NET WORTH STATEMENT** as simple or as detailed as you wish. It should be complete enough to show you how you stand now, in order to measure your financial progress in the future.
- Use the table below to summarize your **LIFE INSURANCE POLICIES**, then carry the total face value over to the appropriate space on the other side. Remember to include any life insurance paid for by your employer.

LIFE INSURANCE POLICY			
NAME OF INSURED	OWNER	BENEFICIARY	FACE VALUE \$

**TOTAL FACE VALUE: \$**  
(CARRY OVER THIS AMOUNT TO THE  
APPROPRIATE LINE ON NEXT PAGE)

PERSONAL NET WORTH STATEMENT

Your Information

Your Full Legal Name:	Birth date:
Spouse Name:	Birth date:
Address:	Phone:
City, State, Zip:	Date:

ASSETS (what you own free and clear)				
ITEM	CURRENT VALUE	ORIGINAL COST	LOCATION	OWNERSHIP*
Checking accounts				
Savings accounts				
Certificates of Deposit				
Other cash assets				
Primary residence				
Other real estate				
Business				
Stocks				
Bonds				
Mutual funds				
Brokerage accounts				
Personal property				
Life insurance cash value				
Vested pension value				
Tax-sheltered funds (IRAs, etc.)				
Notes receivable				
Possible legacies				
Other				
TOTAL ASSETS				
LIABILITIES (what you owe, not counting life insurance loans)				
ITEM	CURRENT VALUE	ORIGINAL COST	LOCATION	OWNERSHIP*
Bank Loans				
Mortgages payable				
Life insurance loans				
Credit card debt				
Other				
TOTAL LIABILITIES				
TOTAL ASSETS LESS TOTAL LIABILITIES				
Add insurance face value LESS cash value				
TOTAL NET WORTH: (for estate planning purposes)				

**\*Use these codes to identify ownership**

SH = separate property of husband  
CP = community property  
JT = owned equally by both

SW = separate property of wife  
TC = tenancy in common  
O = other (please explain)



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