

4 BASIC NEEDS TO COVER WHEN CREATING A BUDGET



Food



Shelter



Clothing



Transportation

Needs vs. Wants

Needs are essentials that humans must have in order to live and work. Typically, needs are expenses that reoccur every month. Some examples include food, shelter, clothing, and transportation.

Wants are things you would like to have but you don't need to survive. While you could live without them, wants allow you to enjoy your life more. For instance, while food is a need, going out to eat at a restaurant is not.

How to Prioritize Your Wants

After you determine your needs vs. wants, you'll need to decide which wants add value to your life. While wants allow you to enjoy your life more, some wants are more important to us than others.

To help, ask yourself these questions: Does it meet a basic need like food or safety? Will it be something you still use in five years? Does the item make you happy and will it continue to do so?

Ultimately, the best way to make sure you can afford your wants is to think ahead, be intentional with spending, and be honest with yourself on a monthly, even weekly, basis. By prioritizing your wants, can help you create your budget.

What is a Budget?

A budget doesn't determine a person's current financial situation and it does not keep them in a financial situation that they are not satisfied with. It's actually designed to do the opposite - to empower people by allowing them to manage their money wisely. It's important to note that budgets can always be changed! It might take a few tries to find that perfect formula just for you!

We have provided you with a budget template on the second page to get you started! Give it a try, and see how it works for you and/or your family.



NuMoola is an intelligent family banking app. We combine real money, gamification, and agification to help young families build lifelong positive money habits.



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PERSONAL BUDGET WORKSHEET



This personal budget worksheet is an example of a zero-based budget. Zero-based budgeting is a way of budgeting where your income minus your expenses equals zero. With a zero-based budget, you have to make sure your expenses match your income during the month.

If your income minus expenses is a negative number, you will need to adjust your total so it equals zero or just above. If your income minus expenses is a positive number, congratulations! You're on the right track, but try to get it as close to zero as possible.

	Month:	
<i>INCOME:</i>	Budget	Actual
Salary	\$	\$
Partner's Salary	\$	\$
Financial Assistance	\$	\$
Other	\$	\$
Total Income	\$	\$
<i>EXPENSES:</i>		
Needs		
Rent/Mortgage	\$	\$
Utilities	\$	\$
Groceries	\$	\$
Telephone	\$	\$
Transportation	\$	\$
Other	\$	\$
Wants		
Fun Money	\$	\$
Clothing	\$	\$
Restaurants	\$	\$
Travel	\$	\$
Other	\$	\$
Debts		
Credit Card(s)	\$	\$
Loan(s)	\$	\$
Medical Bill(s)	\$	\$
Other	\$	\$
Total Expenses	\$	\$
Total Income	\$	\$
Total Expenses	\$	\$
TOTAL (Income - Expenses):	\$	\$