

Clockwise Credit Union

safe savings & affordable loans

1. Decide how you want to record your budget

An app or online budgeting tool can be a great resource, but a spreadsheet or a notebook and pen can work too. Whatever you choose, make sure it's something you can keep track of and update.

2. Take down your income and expenses

Look at how much money you have coming in on a regular basis, like your wages or benefits. If your income changes from month to month, work out the average over the last 3 months and use that

Then look at your bank statements for the last 3 months and work out your average monthly spend. By comparing what you have coming in and what you have going out, you'll see if you're living beyond your means or if you've got money left over.

It can also be helpful to put your expenses into groups so you can see areas where you may be overspending.

When looking at your expenses include regular outgoings like:

- bills (eg utilities, phone, internet)
- rent or mortgage
- groceries
- eating out
- shopping
- transport

If you have an iPhone, you might want to use [Balance After Bills](#). It's a feature in the app that subtracts all your regular monthly bills to show how much you've got free to spend or save.

3. Make a plan

If you feel you're spending too much or want to save more each month, look at what you can change.

You can try making small adjustments, like cutting out the odd takeaway.

You might also be able to save money each month by making your home more energy efficient or switching energy provider.

Once you've decided where to make changes, make a monthly or weekly goal for spending in each category.

Account for other ad hoc costs too, such as birthdays, holidays and Christmas. It helps to plan for these big special occasions.

If you have money allocated for savings, move it into a savings pot or account as soon as you get paid. This way you're not tempted to spend it elsewhere.

It's good to aim high but be realistic: making things too hard may mean you get quickly disheartened.

4. Stick to the plan

Review your budget regularly to check you're sticking to the plan.

Pay close attention to how you're tracking against each category. This will tell you where you may want to cut back or adjust your budget.