

When it comes to creating wealth, there is a very simple formula to follow. Pay yourself first, pay your debts, spend the rest.

However, if you consider any budget or planning worksheet you've seen in the past, the very first line item in the expense column is invariably "mortgage/rent". The first thing you allocate is money to pay someone else first; not yourself! Another difficulty with traditional budgets are that they can be cumbersome and quickly become a dreaded task.

This worksheet aims to simplify your monthly cash flow monitoring, give you only ONE number to worry about weekly and assist you in actually having a serious chance of achieving your financial goals and objectives.

How to use this work sheet:

Income:

There are only two things you need to consider here. The amount that you actually see deposited into your bank account and how often it happens. If it varies because of hours, etc., just use an amount somewhere in the middle that's reasonable. If you're payments are bi-weekly, just add 2 payday's together (don't worry about the 2 extra paydays in the year just yet).

Monthly Fixed Costs:

As you go through your fixed monthly costs, you only want to consider those costs that are guaranteed to be owed (ie utilities) or simply are a set amount per month. Do not consider variable costs such as groceries, entertainment, travel, etc. If any costs occur annually, just divide by 12 months.

Special note: If your mortgage payments and paycheques are both bi-weekly, then only record 2 payments or 2 mortgage payments and see Other Considerations below for more information.

Variable Monthly Spend & Variable Weekly Spend (VWS):

If you have a negative number at this point, it would be safe to assume that you are continuously slipping farther into debt. Your fixed costs exceed your income and you likely need professional help to get yourself out of financial trouble.

If you have a positive number here and have divided it by four, do you think it's reasonable for your household to survive on that amount per week? This would be all you could spend on groceries, entertainment, haircuts, clothing, gifts, etc. If you find that you're able to simply live within your Variable Weekly Spend something incredible will happen.

- 1) You'll only have one number to focus on and worry about. No more budgeting!
- 2) Because they've been accounted for, all of your fixed expenses will already be taken care of and accounted for. They don't need to be factored into your Variable Weekly Spend.
- 3) Even if you didn't actually go out and start a savings program, if you keep within you VWS, be year end, you will likely find your bank account has extra money in it, equal to 12 times what you allocated in the Pay Yourself First section!

Important Considerations:

There are a few important considerations that you should be aware of as you go through this process.

- 1) If you're paid bi-weekly, there are actually 26 pay periods in the year. While this worksheet (purposely) only takes into account 24 pay periods, you should still consider the extra 2 pay periods in the year. This money can be used to further fund your financial goals, any special projects around the house, or even a family vacation
- 2) If your mortgage payments are bi-weekly (and so are your paycheques), it's very important to deduct 2 payments from your 2 "bonus" pay periods noted above. Failure to do so will give you a number well in excess of what you can expect to work with.

Income

You - Income per month	\$	<input type="text"/>
Partner - Income per month	\$	<input type="text"/>
Other monthly income (Rent, Gov't Benefits, etc.)	\$	<input type="text"/>
Total Monthly Income	\$	<input type="text"/> → \$ <input type="text"/> A

Pay Yourself First

You - Current monthly investments/savings	\$	<input type="text"/>
Partner - Current monthly investments/savings	\$	<input type="text"/>
Monthly insurance premiums (if applicable) (Do not include home, auto, etc.)	\$	<input type="text"/>
Unused financial planning (If current financial planning expenses are 0, enter at least \$500)	\$	<input type="text"/>
Sub-Total	\$	<input type="text"/> B
Gross Monthly Spend (A - B)	\$	<input type="text"/> C

Fixed Home Costs

Mortgage/Rent	\$	<input type="text"/>
Property Taxes	\$	<input type="text"/>
House Insurance	\$	<input type="text"/>
Utilities (Hydro, Water, Fortis, etc.)	\$	<input type="text"/>
Cable/Internet/Home Phone	\$	<input type="text"/>
Garbage Pick-up	\$	<input type="text"/>
Other fixed monthly housing costs	\$	<input type="text"/>
Sub-Total	\$	<input type="text"/> D

Fixed Personal Costs

Cell phone	\$	<input type="text"/>
Gym Memberships	\$	<input type="text"/>
Subscriptions	\$	<input type="text"/>
Daycare/Childcare	\$	<input type="text"/>
MSP	\$	<input type="text"/>
Line of Credit/Debt Repayment	\$	<input type="text"/>
Other fixed monthly costs	\$	<input type="text"/>
Sub-Total	\$	<input type="text"/> F

Fixed Auto Costs

Car Payment	\$	<input type="text"/>
Car Insurance	\$	<input type="text"/>
Approximate monthly gas bill	\$	<input type="text"/>
Sub-Total	\$	<input type="text"/> E

Variable Monthly Spend

Gross Monthly Spend (C)	\$	<input type="text"/>
Total Fixed Costs (D + E + F)	\$	<input type="text"/> G
Variable Monthly Spend (C - G)	\$	<input type="text"/> H

Variable Weekly Spend (H / 4) \$