



MANAGING MONEY

5 steps to getting on track.

Please note: Aboriginal and Torres Strait Islander people should be aware that this content may contain images of deceased people.





Get back to the basics.

In a world of constant change, one thing that remains the same is the value of basic money skills. Now is a great time for you to start building these skills, and it's probably easier than you think.

This guide aims to provide you with five simple steps to help you manage your money. It includes practical tips, tools and suggestions on topics from basic money management to planning for the future.

We'll help you learn how to:

- ✓ Understand your financial position
- ✓ Prioritise your debt repayment
- ✓ Develop a workable budget
- ✓ Foster good money habits
- ✓ Create savings goals

Think of this as a financial health check to help you feel more in control of your money.

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STEP 1.



Look at where your money is going.

By taking a step back and looking at where your money is going, you'll have a clearer picture of your current financial situation.

Once you establish your current position, you can then start making positive changes to your money management and work towards a better financial future.

Fill out the spending worksheet on the next page by going through your receipts and bank statements from last month. Taking a little time to review how you're spending your money now will help you decide whether you want to continue that into the future.

Help to:

- Understand your financial position.
- Track your spending.

Spending worksheet.

Take a snapshot of your spending.

Identifying what's coming and going in your budget on a monthly basis is one foundation of good money management. The worksheet below is a guide to help you get a clearer understanding on your current spending.

Income each month	What's going out each month		
	Commitments	Everyday spending	Occasional
Your salary	Mortgage/Rent/Board	Groceries	Christmas
Partner's salary	Water	Baby sitter	Birthdays
Centrelink	Electricity	Medical	Holidays
Child support	Gas	Pet food/ Pet care	Car repairs
Maintenance	Council rates	Laundry	House repairs
Regular overtime	Phone	Public transport	Furniture
Bonuses	Internet	Hobbies	Vet bills
Allowances	Streaming services	Alcohol	Clothing/Shoes
Rental/Board income	Car insurance	Cigarettes	Dry cleaning
Pension	Home insurance	Memberships	Doctor
Other income	Contents insurance	Petrol	Dentist
	Health insurance	Parking fees	Optician
	Car registration	Other	Ordering in
	Car servicing		Meals out
	Strata fees		Taxi or rideshare
	Loan repayments		School books
	Credit card payments		School stationery
	School/University/ TAFE fees		Tuition (e.g. music lessons)
	Child care		Hairdresser/ Beautician
	Other		Cinema
			Family events
			Tax
			Other
Total	Total	Total	Total

You can use this information to help you complete the Budget Planner on page 9.

STEP 2.

Look your debts in the eye.

When it comes to getting on top of debt, it's important to get started sooner rather than later. The sooner you deal with your debts, the more you'll feel in control.

To help get you started, we've included a handy Debt Prioritiser worksheet on the following page.

Begin by listing all the people you owe money to, how much you owe, your current monthly repayments, and the interest rate.

Next, number your debts in order of priority, according to interest rate. The loan with the highest interest rate is costing you the most, so repaying this one first helps to reduce your interest costs.

Refer to your debt list regularly, especially as you tick off your list and repay your loans. Update your list every few months as the total amount of debt goes down, and enjoy that feeling of accomplishment and being more in control of your financial future.

Keep your debts in check.

- ✓ If you're struggling to make repayments, get ahead by speaking to your bank or the people you owe money to. They may be able to help you find a better way to manage the repayments.
- ✓ Look at consolidating your debts. And if you're able to, move them from higher interest rates to a lower rate. This could help make your repayments more manageable.
- ✓ Set a realistic date for when you wish to be debt-free. Use this as a goal you can work towards, calculating when you can pay off what you owe.
- ✓ If you do have savings, you may consider using them to help repay your debts. Compare the interest rate you pay on your loans with the interest you receive on your savings.

Help to:

- Get a clearer understanding of your debts.
- Prioritise your debts.
- Manage your repayments.

Debt Prioritiser.

Prioritise your debt.

List down your debts, the amounts you owe and the interest rates you pay. Then, number these debts in order of priority, from highest to lowest interest rate.

It's a good idea to have your recent bank statements and credit card bills on hand, so you can make a note of the interest rates charged.

Who you owe	How much?	Regular repayment	Interest %	Terms and payment type (e.g. Interest only)	Priority #	Date aiming to pay off
Total						

You now have a clearer idea of where you stand with your debts.

You can include them in your outgoing commitments when working out your budget (page 9).

STEP 3.

Get back to budgeting basics.

When it comes to money basics, budgeting is a proven, simple and effective tool. Developing a budget for your situation is about making mindful decisions about how you are going to use your money.

A good budget helps you to be more in control of your money, assist you to save, organise debt repayments, and make the decisions that could change your finances for the better.

Help to:

- Create a budget you can stick to.
- Be more in control of your spending.

Your budget checklist.

- ✓ Keep a spending diary. Write down everything you spend in a day. Then try it for a week, and then for a month. It might be surprising how quickly little things add up.
- ✓ Include amounts you have automatically taken out of your bank account, such as internet, streaming, or subscription services.
- ✓ Remember to include things that you only pay for once a year, such as car registration and insurance. Work out how much you'd spend in a year and divide it up in equal instalments.
- ✓ Consider spreading larger payments, such as your insurance, across a year rather than paying in one lump sum.
- ✓ Remember to include all your debt repayments.
- ✓ Check your account balance regularly and update your budget based on your current situation.
- ✓ Be realistic. Allow for a little flexibility and the occasional splurge.

Budget planner.

Your budget planner.

Your budget is personal to you and your circumstances. Remember to be honest with yourself and try to include everything that you spend.

Step 1: Income

Money I receive monthly	\$
-------------------------	----

Step 2: Outgoing – Savings

Money I save monthly	\$
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Step 3: Outgoing – Repayments

Home loan	\$
-----------	----

Personal loan	\$
---------------	----

Credit cards	\$
--------------	----

Other	\$
-------	----

Step 4: Outgoing – Living expenses

Food	\$
------	----

Housing

Rent/mortgage	\$
---------------	----

Water	\$
-------	----

Electricity	\$
-------------	----

Gas	\$
-----	----

Council rates	\$
---------------	----

Contents/home insurance	\$
-------------------------	----

Communications

Phone	\$
-------	----

Internet	\$
----------	----

Streaming services	\$
--------------------	----

Transport

Public transport	\$
------------------	----

Rideshare	\$
-----------	----

Fuel	\$
------	----

Fares/tolls	\$
-------------	----

Servicing/repairs	\$
-------------------	----

Registration	\$
--------------	----

Car insurance	\$
---------------	----

Step 4: Outgoing – Living expenses (cont.)

Health and medical

Doctor/dentist	\$
----------------	----

Chemist	\$
---------	----

Health insurance	\$
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Step 4: Outgoing – Personal spending

Clothing	\$
----------	----

Entertainment	\$
---------------	----

Gym	\$
-----	----

Hairdresser	\$
-------------	----

Holidays	\$
----------	----

Other	\$
-------	----

Step 5

Add up all items in Step 2, 3 & 4	\$
-----------------------------------	----

Step 6

Subtract step 5 from step 1

Step 1	\$
--------	----

	Minus
--	-------

Step 5	\$
--------	----

	Equals
--	--------

+/-	\$
-----	----

Money left over +	\$
-------------------	----

Money needed -	\$
----------------	----

STEP 4.



Develop good money habits.

Whether you know it or not, every financial decision you make reinforces a money habit. Over time we all develop regular money habits, some good and some we should probably change.

Fortunately, with a little help, you can start building a few good money habits into your day. Over time, they'll have a positive impact on your financial life.

Help to:

- Develop good money behaviours.
- Keep on the right track.

The habits for success.

Pay yourself first.

Set aside some of your income each month for your future self. Putting away a little each month helps to build a nest egg or a cash buffer for unexpected changes or emergencies.

Pay your bills on time.

Set up regular payments to pay your bills when you know you'll have money, like after your payday. If you get paid weekly, spread the payments across the month.

Get on the front foot.

If something unexpected does happen and you're feeling stretched, talk to your bank about how they might be able to help you.

Reassess your situation.

If you find you're running out of money, it's a good idea to revisit your budget and make adjustments where possible.

Protect your money.

Create a strong, secure password for when you're using online banking services. Always check your bank statements for anything that looks out of the ordinary. Make sure your details are kept up to date and let your bank and other organisations know if you move.

Monthly planner.

Plan to the end to the month.

Being mindful of your money doesn't mean thinking about it every minute of the day. It is, however, important to look at your finances during key times in the week or month. Use this planner to plot out some key dates in your pay cycle.

1	2	3	4	5	6
7	8	9	10	11	12
13	14	15	16	17	18
19	20	21	22	23	24
25	26	27	28	29	30
31					

1. Circle the days you get paid.
2. Mark the days when you will make regular bill payments. This can be either the day after you get paid or spread across the month if you're paid weekly or fortnightly.
3. Mark the days you will make a payment to your savings.
4. On the day before your next pay day, make a note to transfer any leftover money towards paying off your debt first, then put the balance into your savings account.
5. Are there any events that might tempt you to splurge? Make a note to withdraw the money you need on this day and use cash only.
6. Choose a date towards the end of your pay cycle to check your balances and revisit your budget if you're in danger of running short.

STEP 5.

Get set for your future.

Once you've dealt with your debts, worked out a budget and developed good money habits, it's time to set some financial goals.

One of your goals could be setting aside some money for an emergency fund. During tough times, having savings can help you bounce back.

Help to:

- Plan for the future.
- Deal with unexpected changes.

Every little bit counts.

Over time, saving even a small amount can start to add up. The table below shows how daily savings can build up over time.

Day	Week	1 Year	5 Years
\$	\$	\$	\$
2	14	730	3,650
5	35	1,825	9,125
10	70	3,650	18,250
15	105	5,475	27,375
20	140	7,300	36,500

Set your savings goal.

Putting money in the bank on a regular basis is a great start, but it can be tempting to withdraw or overspend. By setting a savings goal, you'll have a plan you can stick to and measure how you're tracking.

Here are some helpful tips on setting a savings goal:

1. How much money would you need to cover your family in an emergency or an unexpected situation? Work this out as a figure to save.
2. Add a timeline to your goal. Set realistic milestones and dates you want to reach them by.
3. Work out how much you need to save each month to meet your goal and try to find that amount in your budget. If you can't save that much, adjust your goal date or amount.
4. Find the right type of account to get the most out of your savings.
5. Set up a regular payment to go to your savings account.

Savings goals worksheet.

Your savings goal.

Whether you're saving money for something special or for a rainy day, setting goals can help you get there. To use this worksheet, simply follow the steps below.

Goal	Target date	Amount needed	Available money	Gap	Time to target date	Amount to be saved each month
Example: car deposit	October	\$2,000	\$150	\$1,850	12 Months	\$154
Total						\$

1. Start by listing your goals. It could be something like saving for a new car or a family holiday.
2. Next, write down a realistic date you'd like to meet each goal.
3. Estimate the amount of money needed to meet each goal. For example, if your goal is to save a deposit of \$2,000, enter \$2,000 as the cost of the goal even if your target date is a year away.
4. Work out the gap between the cost of each goal and the money you've already put towards it.
5. List the time to your target date.
6. Calculate how much to save each month.

THE NEXT STEPS.



By taking the time to work through these steps, you've already begun to take control of your finances. Here are some other ideas to help you continue on your journey.

If you get stuck along the way, we're here to help guide you.

Some helpful ways to get you started.

- ✓ Ask yourself, "What are the things I could do if I was financially sorted?" Make this your goal and write it down. Put it somewhere you'll see it every day to keep you motivated.
- ✓ Having worked through the guide, make a list of five practical things you can do to save money. You could use our handy [cost-cutting checklist](#) to help with this.
- ✓ Put this list into your diary. Do them over the next week or fortnight and review your progress as you go along.
- ✓ Talk to friends and family. Find out how they manage money. If you know someone in the same situation, you could help each other for extra motivation.

We're here to help.

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