

Managing Your Money

This worksheet will help you . . .

- ▶ understand the difference between **needs** and **wants**.
- ▶ decide whether to **spend** or **save**.
- ▶ determine whether to make a purchase **now** or **later**.



NEEDS VS. WANTS

The danger: **CONFUSING THE TWO.**

There's nothing wrong with buying things that you *want*. It's a matter of priorities. The Bible says: "Make sure of the more important things."
—Philippians 1:10

Write down some of your needs and wants for one month. Include only things that *you* will be expected to pay for.

To think about: "The line between needs and wants can be pretty blurry sometimes," says the book *The Complete Guide to Personal Finance: For Teenagers and College Students*. "A lot of things you think you need are actually things you want, and you don't actually need them after all."

With that in mind, should any of your "needs" be moved to your "wants" list?

Month

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NEEDS (necessary expenses that <i>you</i> —not your parents—pay for)	WANTS (optional expenses for things like recreation, social activities, and items that you would <i>like</i> to purchase)

SPEND VS. SAVE

The danger: **OVERSPENDING.**

“Even if I find an item on sale for a certain percent off, I can save 100 percent if I don’t buy it in the first place!”—Danielle



List some things that you bought but later regretted purchasing because you wanted the money for another purpose.

Item	Cost
_____	_____
_____	_____
_____	_____
_____	_____

Total spent on these purchases 

Estimate how much you could save in a month if you cut back on nonessential purchases or activities that tend to drain your finances.



Multiply that number by 12 to see how much you would accumulate in a year if you saved that amount each month.

x12

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“There is nothing uncool about looking for a good deal and saving a few dollars here and there. After all, this means that you will have more money left over for the things you need and want.”—*I’m Broke! The Money Handbook.*

To think about: The Bible says that “the one who loves having a good time will come to poverty.” (Proverbs 21:17) How can your attitude toward recreation affect your spending habits?

NOW VS. LATER

The danger: **IMPULSE BUYING.**

“When I’m interested in making a purchase, I try to wait at least a couple of weeks to make sure that I still want the item and that I would make good use of it.”—Alana



When are you most likely to buy impulsively?

- When browsing online
- When out with friends
- When in a negative mood
- Right after receiving my allowance or paycheck

List some advantages to waiting before making a major purchase.

To think about: What goals could you set to control your spending?

MY MONTHLY BUDGET

A budget can help you to take control of your money.

In the first column, list all the income you expect to receive during the month. In the second column, list how you plan to spend your money. As the month progresses, write down in the third column the amount you actually spend in each category.

Income	Budget for Expenses	Actual Amount
<p>ALLOWANCE</p> <input type="text"/>	 FOOD
<p>PART-TIME JOB</p> <input type="text"/>	 CLOTHES
<p>OTHER</p> <input type="text"/>	 PHONE
	 ENTERTAINMENT
	 DONATIONS
	 SAVINGS
	 HOUSEHOLD EXPENSES
<p>Total</p> <input type="text"/>	<p>Total</p> <input type="text"/>	<p>Total</p> <input type="text"/>