CareWorks
Hands on Health - Care that Works

**CareWorks' Employee Wellness Programme**

# *Budgeting and Financial Planning: Taking Control of Your Money*

---

In today's fast-paced world, it's easy to feel like your money disappears before the end of the month. Between rising food prices, debt, fuel costs, school fees, and family responsibilities, many South African employees feel stretched thin.

But here's the truth: with **good budgeting and financial planning**, you can take control of your money—not just survive, but build a better financial future.

---

**Why Budgeting Matters**

A budget is simply a **plan for how you'll spend your money**. It helps you:

- Track income and expenses
- Avoid unnecessary debt
- Save for goals and emergencies
- Reduce financial stress

Whether you earn weekly wages, a monthly salary, or run a small business on the side, **everyone can benefit from a budget**.

---

**Step-by-Step: Creating a Simple Budget**

📝 **1. Know Your Income**

List all sources of income: salary (after deductions), bonuses, side hustles, government grants, or rental income.

💸 **2. Track Your Expenses**

Group your monthly expenses into categories such as:

- **Fixed costs**: Rent/bond, electricity, school fees, insurance
- **Variable costs**: Groceries, airtime/data, transport, entertainment

- **Debt repayments**: Loans, credit cards, store accounts
- **Savings**: Emergency fund, retirement, stokvels

Use your bank statement, slips, or a budgeting app to track spending for at least one month.

### ⚖️ 3. Compare Income vs Expenses

- Are you spending more than you earn? That leads to debt.
- If you have money left over, where is it going? Could more be saved or invested?

### ✂️ 4. Cut Where You Can

Look for areas to reduce:

- Prepare meals at home instead of takeaways
- Limit store accounts or "buy now, pay later" options
- Compare prices before shopping
- Cut subscriptions or unused services

### 🎯 5. Set SMART Goals

Examples of short- and long-term financial goals:

- Pay off a loan in 6 months
- Save R500/month for a December holiday
- Build an emergency fund of R10,000
- Buy a reliable car in 2 years

SMART = Specific, Measurable, Achievable, Realistic, Time-bound.

### 💰 6. Save First, Not Last

Even small amounts matter. Try saving **at least 10% of your income** each month—before spending.

Set up **automatic transfers** to savings or investment accounts to remove temptation.

---

**Tips for South African Households**

- **Use a 50/30/20 rule** as a guideline:
    - 50% on needs (rent, food, transport)
    - 30% on wants (entertainment, clothes, dining out)
    - 20% on savings and debt repayments
- **Join a stokvel** or savings group, but make sure it's trustworthy.

- **Teach your children about money** early—lead by example.
- **Plan for lumpy expenses**, like school uniforms, licence renewals, or December spending.

---

**Dealing with Debt**

Debt is common—but unmanaged debt can trap you. If you're struggling:

- **Prioritise paying off high-interest debt first**, like credit cards or store accounts
- Avoid borrowing to pay off other debts
- Contact a **registered debt counsellor** if you're overwhelmed
- Remember: **There's no shame in asking for help**

---

**Tools to Help You**

- **Budgeting Apps**: Try 22seven, GoodBudget, or Moneysmart (many are free)
- **Spreadsheets**: Simple Excel or Google Sheets templates can work well
- **Envelopes**: The "cash envelope method" helps control spending categories

---

**Financial Planning for the Future**

Budgeting is short-term, but financial planning looks ahead. Think about:

- **Emergency fund**: Aim for 3–6 months' expenses
- **Retirement savings**: Start now—even small contributions help
- **Education fund**: For your children's or your own growth
- **Medical aid or funeral cover**: For unexpected expenses

Financial planning gives you security, independence, and peace of mind.

---

**What Employers Can Do to Support Financial Wellness**

- Offer **workshops on budgeting and saving**
- Provide access to **financial advisors or planners**
- Encourage **employee savings programmes** or payroll savings options
- Create a culture where **financial conversations are normal**, not taboo

---

**In Closing**

You don’t need to earn a big salary to budget well—you just need to **make intentional choices**. By tracking where your money goes and planning ahead, you’ll feel more in control and less stressed.

**A healthier wallet leads to a healthier life.**

Start small. Start today. Your future self will thank you.

---

**Helpful Resources in South Africa**

- **National Credit Regulator (NCR)**: www.ncr.org.za – Debt advice and counsellor listings
- **SA Financial Planning Institute**: www.fpi.co.za
- **Old Mutual Moneyversity**: Free online financial education – www.moneyversity.co.za
- **DebtBusters**: www.debtbusters.co.za