



BECAUSE LIFE IS NOT  
JUST ABOUT  
MONEY...



## Why make a budget?

Many agree that making a budget is very useful but few do it especially if we think:

“ I don’t earn enough to need one! ”

“ It will limit my expenses,  
I won’t be able to treat myself! ”

“ I don’t want to see the  
real numbers! ”

But, what if a budget helps you put more food on the table, see the light at the end of the tunnel and improve your quality of life?

In other words, a budget will help you make better choices, like:

- pay off your debts
- stop living from cheque to cheque

It will deal with your financial reality before reality catches up with you. Control your money - stop being controlled by it.

“ A positive attitude is the key to  
successful budgeting! ”

## “ A budget: more than numbers !”

At Entraide budgétaire, a budget is defined this way:

$$\begin{array}{r} \text{Resources (income)} \\ - \text{Lifestyle (expenses)} \\ \hline = \text{Deficit or surplus (balance)} \end{array}$$

Or: “Within my financial resources, what kind of lifestyle must I adopt to meet my obligations and realize my projects?”

First, you need a financial road map: where do you start and what direction are you taking? A budget will take you to your destination!

### START

Evaluate your:

- assets (house, car, savings, etc.)
- debts (credit, loans, etc.)
- financial stress (on a scale from 0 to 10)

### ARRIVAL

Write down a list of:

- goals you want to reach (pay my debts, etc.)
- projects you want to do (buy furniture, buy a car, go on vacation, etc.)

Your budget is the perfect tool (or vehicle) to reach your goals and make your projects a reality!

“ A budget helps you face reality..  
with confidence! ”

# Our services

## CONSULTATIONS

- Free and confidential budget counselling
- Advice on different aspects of your financial situation

## PUBLIC EDUCATION

- Seminars : on budgeting, credit, or Income Tax
- Course : on personal budgeting (Available in French only for now)

## PERSONAL INCOME TAX

- Year-round service for individuals who have not yet filed their income tax from previous years
- Seniors residences: our volunteers help seniors fill in their income tax returns

*We have been helping people in Ottawa since 1979.*

**We can help you too. Today.**



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# Planning a budget

## 1. Plan a yearly budget:

- *Financial resources*: job, pension, GST, welfare, etc.
- *Lifestyle*: home, food, transportation, clothes, entertainment, etc.
- *Obligations*: credit cards, loans, arrears, etc.
- *Projects*: savings, furniture, car, etc.

## 2. Then do this equation:

$$\begin{array}{r} \text{Resources} \\ - \text{Lifestyle} \\ \hline = \text{Deficit or surplus} \end{array}$$

## DEFICIT?

Adjust your budget by:

- increasing your resources (income)?
- adjusting your lifestyle (decrease expenses)?

## SURPLUS?

Is it enough to cover your obligations and realize your projects? Otherwise:

- can you renegotiate your obligations?
- delay some projects?

Or, your surplus might be substantial enough to do more! For example:

- improve your lifestyle
- pay off your debts faster
- realize projects sooner than you thought

# Managing a budget

Managing a budget is a way of keeping track of your income and expenses, but it also means....

## Respecting who you are

Someone who is a spender could choose:

- preauthorized payments to pay the bills at the beginning of each month
- use the envelope system (with a specific amount in each) for some expenses (like groceries or entertainment)

## Thinking of tomorrow

At the beginning:

- plan your expenses from paycheque to paycheque, or plan monthly so that it is not too tight
- at the end of the month, set aside any surpluses... for those months when you have a deficit!

## Adjust to change

Remember: a budget is not set in stone:

- if your financial situation changes, adjust your budget accordingly
- if your income decreases, you may want to postpone some expenses or negotiate with your creditors

*“The best way to manage a budget is the way that works for you!”*