



Justine Davies is a finance writer and mother of three. She is passionate about combining humor and commonsense with finance.

Money Matters with Justine Davies

Get your family's finances on track by preparing a budget. It's not as hard as you might think!

Having a written budget can be an absolute blessing in these testing economic times because it puts you in control of your finances. In roughly the time it would take to watch an episode of *Desperate Housewives*, you can create a budget that could save you hundreds or thousands of dollars each year.

Our finance expert Justine Davies recommends following these easy steps to prepare your family budget:

1. Make a date with your partner to sit down together and create a budget.
2. Write down any income and expenses that apply to you. It is important to be realistic about how much you spend. While some expenses are easy to predict, other costs are not. If you are unsure how much you spend in an area, check your bank statement transactions over the past few months – you might get a shock!
3. Factor in the cost of the unexpected. Events such as the car breaking down can cause financial chaos. By setting aside a small, regular amount each month you can help cover these costs without resorting to debt.
4. If you have a credit-card debt, also include a regular payment onto this as part of your budget. By gradually paying off your credit card you will free up extra cash to play with.
5. Once your budget is complete you will be able to see at a glance the areas in which you may be able to cut costs.
6. And finally – stick to your budget! To begin with, review your expenditure every week or two to ensure you are on track. This conscientiousness will pay off before you know it! The best thing about a budget is the feeling of confidence that it gives you, knowing that you are in the driver's seat on the road to your own financial success.



Avoiding budget-day arguments

Putting together a budget can be a fraught activity. Try some of these strategies to avoid niggling arguments.

1. Remove the blame. Who spends money on what shouldn't be used as argument ammunition.
2. Don't just focus on bad spending decisions. Highlight the positive ones and see the potential for great decisions.
3. Respect your partner's views towards money – they are as valid to him/her as yours are to you.
4. Remember, it's about the future, not the past. Seek the help of a third party if budget-setting is overwhelming you. Don't forget to say "I love you". After all, there is a lot more to a partnership than just money.