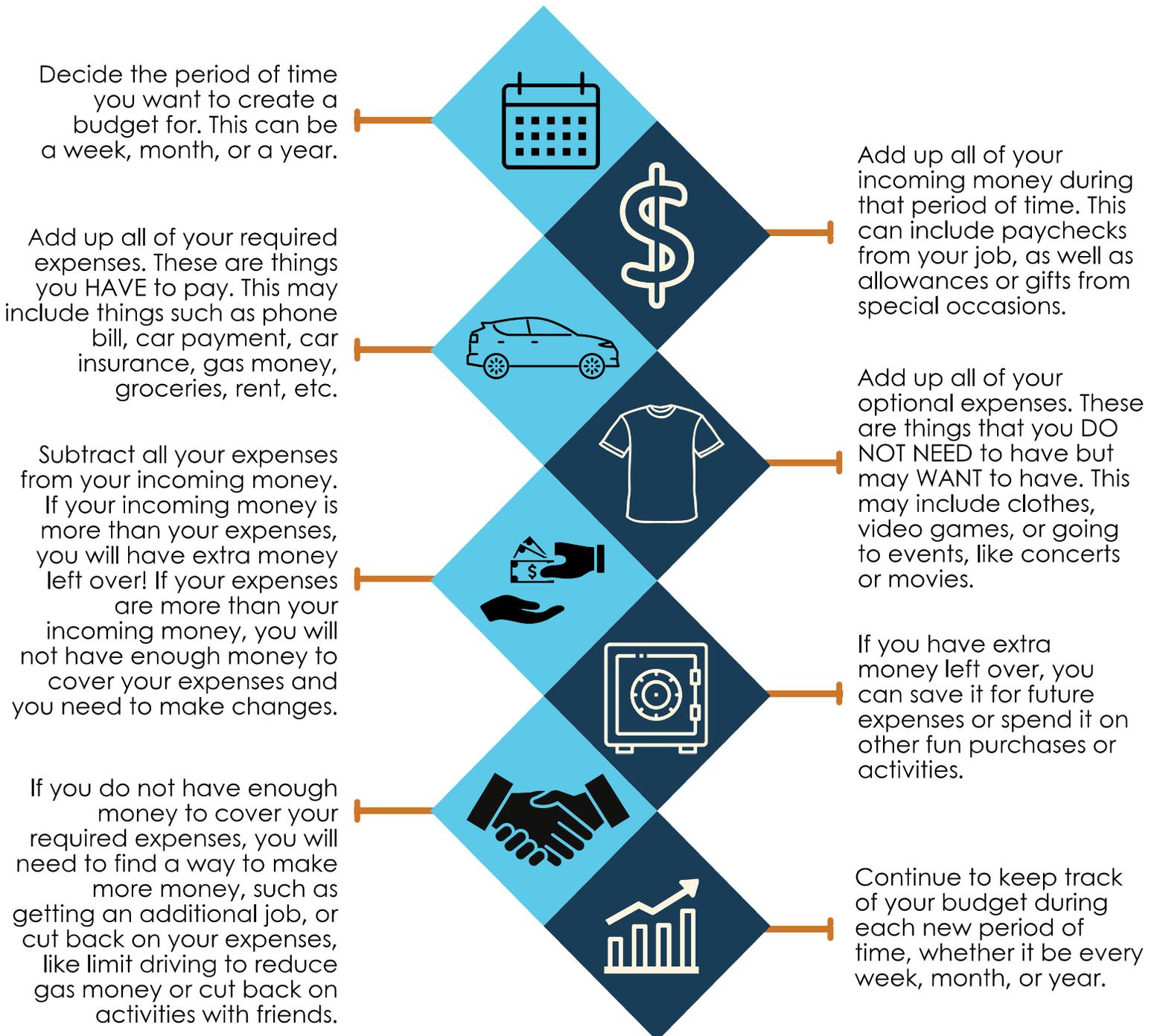


Developing a budget is an important skill to learn. A budget is a plan you create that includes all the money you make during a set time, as well as all the expenses you have. When you subtract your expenses from your incoming money, you can tell if you have enough money for all the things you need, and if you will have any money left over.

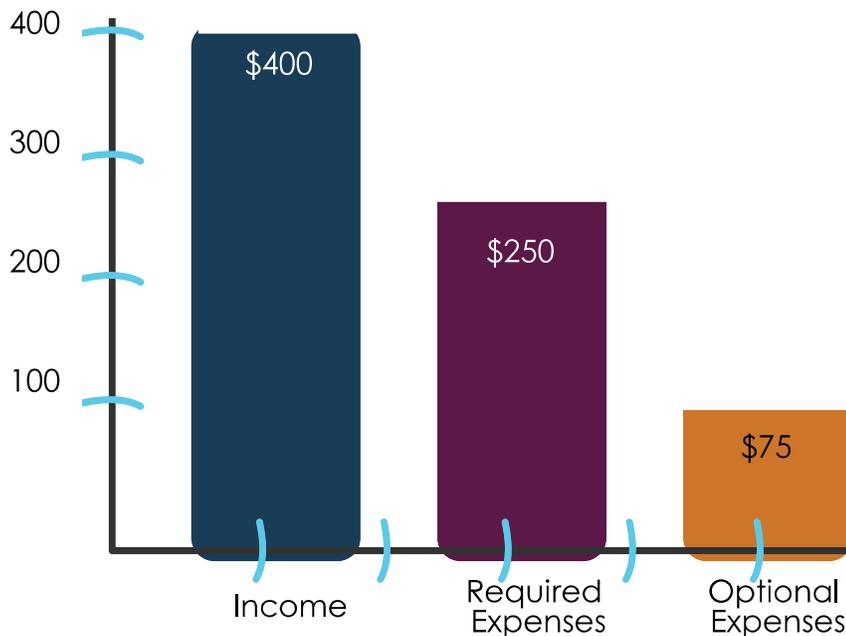
By being aware of how to keep a budget, you can be sure that you have enough money for the things you need and can learn to save up for things you may want. Here are some steps you can take to create a budget for yourself:



BELOW IS A SAMPLE OF A WHAT A MONTHLY BUDGET COULD LOOK LIKE

FINANCES	AMOUNT
Income (Paychecks, Allowance)	\$400
Required Expenses (car payment, insurance, phone, gas)	\$250
Optional Expenses (video games, movie tickets, dinners out)	\$75

SAMPLE BUDGET



Subtract all your expenses from your incoming money. If the sum of your incoming money is greater than the sum of your expenses, you will have extra money left over! If the sum of your expenses is greater than the sum of your incoming money, you will not have enough money to cover all of your expenses.

$$\text{Income} - \text{Combined Expenses} = \text{Total } \$400 - \$325 = \$75$$

In this example, this person has \$75 left after all expenses are paid, so they can continue their current lifestyle.

References: [Bank of America](#);
[Investopedia](#)