

## ***Instructions for Worksheet #4***

Start your Income & Expense Statement for the past month as follows:

- 1. Assemble your records.** Dig through your records and rack your memory. Call utility companies and other creditors for payment records if necessary.
- 2. Enter INCOME. Net Wages** means “take-home” pay, after employer deductions such as income taxes and health insurance. **Investment Income** includes interest from savings accounts and other investment earnings that were sent to you or went into your checking account for spending.
- 3. Enter EXPENSES.** Enter occasional expenses under MISCELLANEOUS. Otherwise, try to identify all expenses. Choose categories that will help you manage your money. For example, make a separate category for expenses you want to monitor – such as specific utilities, personal allowances, entertainment, and so on.
- 4. Balance the statement.** Make INCOME and EXPENSE totals come out the same. If you cannot account for all of the expense, put the mystery amount under MISCELLANEOUS. In the future, attempt to keep the MISCELLANEOUS category below 10 percent of your income.
- 5. Go for 12 months.** Continue to record your expenses each month until you have a 12-month Income & Expense Statement.



