Money Mechanics

Strategic Financial Advice



Your Cash Matters!

Having a handle on your cash flow can give you empowerment over your day to day life and puts you in control of your money rather than it being in control of you. Cash flow management and planning is one of the key foundations to your overall financial planning strategies now and into the longer term. How much you need to live on today is often not reflective of what you will need once you reach retirement from the workforce as you will have time on your side which may result in the desire to spend more funds on travel and lifestyle.

We suggest the following steps to get your cash flow in order and we always say: 'be patient with yourself, team up with a buddy for accountability, and implement a system that works for you that is automated!'

YOUR CASH SYSTEM

We suggest a Three Account Structure to give you transparency and control over your day-to-day cash needs.

■ Account 1 Your Working Account

This account should be used for your day-to-day expenses such as food, lunches, coffee and entertainment expenses. The discipline here is once the funds are used you do not spend any more money on these items. This should be your standard working account with ATM access.

Account 2 Your Bills Account

Use this account to plan for your regular annual expense and bills. Again each fortnight you should work out an amount to go into this account. The process here is if you are going for a haircut, or clothes shopping transfer the money across from the Bills Account to your Working Account, try to limit impulse buying and have a plan / purpose in mind when you go shopping. This account should ideally should be an offset account if you have mortgage debt and you should have NO ATM access on this account.

Account 3 Your Longer Term Savings

The idea behind this account is to save for regular lifestyle things. The fun stuff like regular holidays etc. This again if you have a mortgage should be offset account number 2 for the travel savings and NO ATM Access. Check out www.ingdirect.com.au, www.rams.com.au, <a href="www.rams.c

What Goes Where?

	Your Working Account
= \$_	Your Total Each Pay
	Your Bills Account
= \$_	Your Total Each Pay
Your Li	festyle Savings / Worth Living
= \$_	Your Total Each Pay
Debt	Reduction / Future Savings
= \$_	Your Total Each Pay

FURTHER RESOURCES

Check out some great online tools for budget and cash flow planning and debt management:

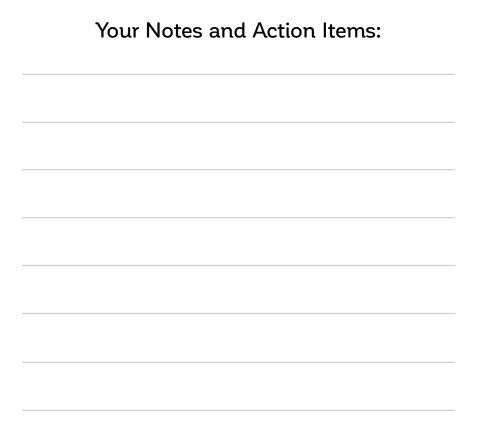
https://www.moneysmart.gov.au/tools-and-resources/calculators-and-apps

Podcast Episode:

https://omny.fm/shows/moneymechanics/unpacking-cash-flow-and-budgeting-with-ara-jensen



- 1. Create a daily to do list
- 2. List goals and set priorities (A, B, C...)
- 3. Do A's first
- 4. Handle each piece of paper / email only once
- 5. Do it now!
- 6. What is the best use of my time right now?





Check out the following smart phone apps which can help set up and track your cash flow:



Money Mechanics Pty Ltd (ABN 64 136 066 272) is a Corporate Authorised Representative (No. 336429) of Infocus Securities Australia Pty Ltd (ABN 47 097 797 049) AFSL and Australian Credit Licence No. 236523

This information is of a general nature only and neither represents nor is intended to be specific advice on any particular matter. Money Mechanics Pty Ltd strongly suggests that no person should act specifically on the basis of the information contained herein but should seek appropriate professional advice based upon their own personal circumstances. Although we consider the sources for this material reliable, no warranty is given and no liability is accepted for any statement or opinion or for any error or omission.







