Taking Inventory

Few people plan to fail -- far too many, however, fail to plan.

Proverbs 27:23 says, "Be sure you know the condition of your flocks, give careful attention to your herds."

The following worksheets are provided to assist you in taking inventory of your income, expenses, assets, liabilities, and debts. Please feel free to reproduce them or call my office for additional copies.

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Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Income

|  |  |  |
| --- | --- | --- |
|  | Monthly | Annually |
| Wages 1 |  |  |
| Wages 2 |  |  |
| Wages 3 |  |  |
| Other 1 |  |  |
| Other 2 |  |  |
| Total |  |  |

# Annual Spending Plan

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Fixed Expenses | Monthly | Annually |  | Variable Expenses | Monthly | Annually |
| Tithes |  |  |  | Groceries |  |  |
| Mortgage |  |  |  | Eating Out |  |  |
| Gas |  |  |  | Credit Card |  |  |
| Electric |  |  |  | Auto Maint./Gas/Repairs |  |  |
| Water/Sewer |  |  |  | Clothes/Haircuts |  |  |
| Trash |  |  |  | Medical |  |  |
| Phone |  |  |  | Children |  |  |
| Loans |  |  |  | Business Exp. |  |  |
| Property Tax |  |  |  | Charitable Cont. |  |  |
| Personal Property Tax |  |  |  | Repairs/Replacement |  |  |
| Insurance Auto/Home |  |  |  | Entertainment/Vacation |  |  |
| Insurance Life |  |  |  | Gifts |  |  |
| Vehicle Reg. |  |  |  | Education |  |  |
| Other |  |  |  | Pet Expense |  |  |
| Other |  |  |  | Misc. Stamps, checks, AAA |  |  |
| Total |  |  |  | Total |  |  |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Monthly |  | Annually |
| **Total Income** |  |  |  |  |
| **Total Expenses** |  |  |  |  |
| **Surplus / Deficit** |  |  |  |  |

# Percentage Guidelines

|  |  |  |  |
| --- | --- | --- | --- |
| For Family Gross Income | $75,000 |  |  |
| Tithe | $7,500 |  |  |
| Taxes | $15,000 |  |  |
| **Net Spendable** | **$52,500** |  |  |
|  |  |  |  |
| Expenses | Annual | Monthly | Suggested % |
| Housing & Expenses | $15,750.00 | $1,312.50 | 30% |
| Food | $5,775.00 | $481.25 | 11% |
| Automobile | $6,825.00 | $568.75 | 13% |
| Insurance | $2,625.00 | $218.75 | 5% |
| Debt Payments | $2,625.00 | $218.75 | 5% |
| Entertainment | $3,150.00 | $262.50 | 6% |
| Clothing | $3,150.00 | $262.50 | 6% |
| Medical/Dental | $2,100.00 | $175.00 | 4% |
| School/Childcare | $2,625.00 | $218.75 | 5% |
| Other Expenses | $2,625.00 | $218.75 | 5% |
| Savings | $2,625.00 | $218.75 | 5% |
| Investment | $2,625.00 | $218.75 | 5% |

The above general guidelines are meant to be just that - guidelines. They can be helpful, however when one is struggling with developing an initial budget and measuring 'how am I doing' against these general ranges. If you find, upon completion of your budget that your outlays exceed your income (which is fairly common), you have two choices:

1. Increase your income.
2. Decrease your expenses.

Going into debt to make up the difference is not an option. If our government could understand this principle, we would all be better off!

# Assets & Liabilities

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Assets |  |  | Liabilities |  |
| Checking Account (s) |  |  | Credit Cards/ Charge Cards |  |
| Savings/Money Market Funds |  |  | Auto Loans |  |
| CDs |  |  | Installment Loans |  |
| Stocks/Bonds |  |  | Bank Loans / Credit Lines |  |
| Mutual Funds |  |  | Student Loans |  |
| Annuities |  |  | Money Owed Relatives |  |
| Retirement Funds - IRA |  |  | Business Loans |  |
| Retirement Funds - Employer |  |  | Real Estate Mortgage #1 |  |
| Business Interest / Partnerships |  |  | Real Estate Mortgage #2 |  |
| Life Insurance - Cash Value |  |  | Real Estate Mortgage #3 |  |
| Collectibles |  |  | Other |  |
| Automobile |  |  | Other |  |
| Personal Property |  |  | Other |  |
| Investment Real Estate |  |  | Other |  |
| Residence |  |  | Other |  |
| Other |  |  | Other |  |
| Total |  |  | Total |  |

|  |  |
| --- | --- |
| **Net Worth** (Assets minus Liabilities) |  |

# Debt Inventory

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Creditor | Balance | Payment | Interest Rate | Priority |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

Recommendation: List in order of balance (from low to high) or in order of interest rate beginning with the highest. Then make the following commitments:

* No new debt.
* Apply all extra money possible to the smallest balance
* As you payoff balances, apply those payments to next smallest balance or, if similar size, to the debt with the highest interest rate.
* Continue this process until all debts except your home mortgage are paid in full and then apply as much extra as possible to that debt.

