

INSTRUCTIONS FOR COMPLETING THE CASH FLOW TEMPLATE

This “Cash Flow Statement” should be a listing of your income, savings and expenses for the past 12 months.

To find this information, gather your most recent pay stub and the past 12 months of bank statements and credit card statements. Go through each bank/credit card statement and categorize each expense. You can do this by hand, with Excel or with Quicken.

INCOME: List your **gross** annual income from all sources. (If you are self-employed list your net self-employed income after deducting business expenses. Don’t include business expenses on this cash flow statement.)

SAVINGS: Do not list current account balances. Enter only amounts that are saved on an annual basis for long-term savings. For example this would include what you contribute to your retirement plans, college savings accounts and rainy day funds. It would *not* include money that is put away temporarily, such as money you put aside to pay your property taxes every 6 months.

FIXED EXPENSES: List any expenses that are fixed in amount, such as your mortgage or auto loan. You can use your latest tax returns to find your federal and state taxes. Don’t forget about benefits that are paid through your paycheck, such as health, dental, life and disability insurance.

Do *not* include payments to a company Flexible Spending Account (which is recouped by you later for medical expenses.)

Feel free to change the categories listed on the template.

VARIABLE EXPENSES: List all other expenses that are not fixed. Try to break them out into specific categories – for instance instead of lumping together all gifts, break it out into “charitable gifts” and “gifts given to others.” More categories are better than less. Feel free to change the categories listed on the template.

NET SURPLUS/DEFICIT: This is the difference between your gross income and all your expenses. Look at it to be sure it is accurate – if it shows a surplus ask yourself if you really have extra money at the end of the month or year (is your bank account growing?) If it shows a deficit, where are you taking money from to pay your expenses?