How to Create a Budget Chart to Slice Expenses and Save Money

Using a computer program to keep track of your budget is quite addicting. You start to feel proud and satisfied when you can add a new amount to the "earnings" section of the budget. Of course, the most satisfying part would be watch your earnings and savings increase as you cut back on spending.

But what if you need to pay an upcoming bill and you're flat broke?

Relax, there's no need to panic. Fortunately, your handy budget chart will help you cut back on spending without losing the roof over your head.

In addition, keeping track of your expenses will help you avoid spending money unnecessarily, so more funds can be allocated to saving.

Keeping Track of Income and Expenses

This tutorial can work for any Excel style spreadsheet:

1. Open a new spreadsheet

2. In the first rows, type in the factors that you would like to track (earned, spent, saved)

3. Below the label, select the formula area, and type "=sum(A2:A30)"

This is one of the simplest formulas that can be used in Excel. It simply adds the amount of numbers that are found in column A between row 2 and 30.

You can put in the dates on the side of each row, but it's easier to just use the default row values and remove any additional rows. For example, if there are 300 rows, delete 270 so that you'll have 30 rows left, one for each day of the month.

Keeping Track of Your Saving and Spending Percentages

The formula above will add the amounts in a range of rows. ***But what if you want to determine a percentage difference of two labels?*** For example, you want to keep track of the percent that you save on a monthly basis.

Follow this process:

1. Type this formula in to the formula area of the spreadsheet: "=sum(A2/B3)", assuming that you're "Total Earned" amount was on A2 and your "Total Spent" amount was on B3.

2. Right click on the percentage label

3. Format the cell as a percentage (from the drop down list of formatting options)

Congratulations! You just made an incredibly simple budget chart!

Benefits of Using Your Budget Chart

When you start to use this budget chart, you'll begin to notice that each time you add an amount to the "earned" section, the spreadsheet will update, and you'll be able to see at a glance how much you've been earning and spending.

Get into the habit of using the budget chart and you'll be able to easily manage your finances.

The chart will serve as motivation to save money because no one wants to be reminded that they are spending a lot of money. It will be a little mind game to see

how high you can make that "Percent Saved" number go. When you have to spend money, that percentage will decrease, which will make you want to bump it back up.

Using this chart will create the mentality that you need to save money, which is one of the most beneficial decisions you can make. So create that budget chart and see how much cash you can save!