Do you know where your money is going every month? Income and expense statements let you see what money is coming in and where it goes. Income Statements - An income statement is a list of income from all sources for a specific period of time. Income tax records, paycheck stubs, broker records, and checking accounts can be helpful in determining income. You may want to calculate your annual income, and then divide by 12 for your average monthly income.

Expense Statements - An expense statement is a list of all expense transactions for a specific period of time. Most of us know the amount of our monthly mortgage or rent payment, car payment, and utilities. But do you know how much you spend on snacks, clothing, recreation, or entertainment? When estimating expenses, consider the following categories:

- **Fixed** – a set amount like rent, mortgage, car payments, and insurance premiums.
- **Periodic or irregular** – come around only occasionally like holiday expenses, property taxes.
- **Flexible or variable** – varies each week or month like food, transportation, and recreation.

Together, income and expense statements are sometimes referred to as cash-flow statements and they are used to create a spending plan – one of the best tools for taking control of your finances. The Household Account Record has worksheets for you to plan and record your monthly spending – pick up a copy at your local, county Extension office.

The Household Account Record can be found online:


Excel template worksheets for income and expense statements are available on the Arkansas Saves website:

www.arfamilies.org/arkansassaves