



# Allied Youth

## Financials 101

Money can be overwhelming to talk about sometimes, but let's cover some of the basics ...

### How to Set Up a Budget

A budget is the key to succeeding financially. If you do not know how much you are bringing in each month and how much you are spending, you are going to end up in the red.

Learning to set up a realistic budget and to plan for the future is essential to being successful later in life. Try calculating all the essentials you need for each month, then add in a little bit for personal fun, and do your best to stick to that amount. Maybe you could decide to only spend 50% of your pay cheque or allowance, and save the rest for a rainy day!

### <sup>1</sup>How to Pay for College/University

Most students assume that the way to pay for college is by using student loans. But there are options available including financial aid, scholarships (even if you do not get perfect grades), and work-study options. Check out the resources section of this page to learn more.

### <sup>1</sup>What About Cooking, Grocery Shopping and Other Life Skills

Although these things may not seem related to finances, basic cooking and other skills can save you a lot of money. It is important to make sure you have the basic skills that can help you find the best prices and plan practical menus to get you through school and beyond. Other skills like doing the laundry, mending clothes, and other basic skills can help you make your clothes and other items last longer, which will save you money.

### The difference between a Debit and Credit card

A debit card allows you to spend your money that you already have in your bank account. This card can be inserted into a machine or tapped (up to \$200 at a time) to purchase something, and the money comes right out of your account. A credit card allows you to spend money with the promise that you will pay it back. Your credit card account will be charged when you spend money, and you will need to pay off that account as soon as you can. This is a good way to build credit, which is basically just a system of points that will help you later in life.

**Did you know?**

<sup>2</sup>A recent poll cites that 67% of Canadians aren't particularly confident about their ability to handle their finances



*"Learning to set up a realistic budget is essential to being successful"*

**How Does This Affect Our Post?**

Your Post is responsible for money from time to time. During various fundraisers, you will end up receiving money, and you'll even spend money on events sometimes. It is important to set wise budgets as a Post and adhere to them. Meet with your Post to discuss setting a budget for each month of each event you plan.

Additionally, you could host an education session around financial literacy! Invite local bank employees in to give presentations to learn even more! Another idea here could be to host a meeting with all of your Post members and plan a few trips to the local bank with your parents/guardians to set up your bank accounts and debit cards.

**Where Can We Learn More?**

<sup>1</sup>[www.thebalance.com](http://www.thebalance.com)

<sup>2</sup>[www.huffingtonpost.ca/2017/05/09/consumer-debt-canada-mnp-sentiment-survey\\_n\\_16510320.html](http://www.huffingtonpost.ca/2017/05/09/consumer-debt-canada-mnp-sentiment-survey_n_16510320.html)

[www.practicalmoneyskills.com](http://www.practicalmoneyskills.com)

[www.Nomoredebts.org](http://www.Nomoredebts.org)

### ask the experts >>>

**Q:** *Why do I need a debit card when I can just pay in cash?*

**A:** *Debit cards have a lot of perks, like tracking your spending, and reducing trips to the bank.*

Getting a debit card is a perfect way to start tracking your spending. Not only will you not need to carry around bills and change, but by using a debit card, your money is protected within a bank, and can only be taken out with a PIN that only you know! That keeps your money safe, keeps change out of your pocket, and allows you to keep track of your spending by viewing your account statement. Go to your local bank and ask for some help, bring two pieces of government issued identification, and ask about a visa-debit card (the debit card that can also do some visa purchases)