

You Need A Budget.



User Guide for Helping with a Budget

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What We're About

Welcome to YNAB

You've decided you want to get your money in order. High-Five.

YNAB is personal budgeting software with a powerful financial methodology designed to implement YNAB's Four Rules of Cash Flow:

- Rule One: Aligning your money with your values, and reaching your financial goals faster than ever.
- Rule Two: Evening out your cash flow, preparing for large expenses, and eliminating those 'oh no' moments you always run into.
- Rule Three: Making sure you bounce back and being flexible enough to stick with your plan.
- Rule Four: Eliminating stress, handling a variable income with ease, and making your bill paying much more efficient.

The possibilities are paramount and we're sure one of these scenarios look all too familiar.

The Student

You finished your first year of college; congrats! You paid off some of your student debt with your part-time job and planned to finish college since you considered your part-time job, a job, not a career.

You rewarded yourself with a vacation for your hard work. You couldn't leave without doing a little shopping for necessities though it snowballed into a lot of shopping for luxuries. Instead of working all summer, you quit your part-time job Jerry McGuire style, minus taking a goldfish, and took off on your trip to anywhere with a beach.

Eating out for every meal and having a few more late nights than you originally planned drained your funds. YOLO, right?

Ma and Pa had to wire you money, and you return home faced with the harsh reality of financial debt and upset parents.

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The Newlyweds

Like a penguin roaming the arctic, you finally found your soul mate. How sweet. You bought a ring that's worth your next two paychecks, but that's okay, it was worth eating nothing but Rahman noodles and microwave dinners like back in your college days.

Friends heard the great news and begged to take you out to celebrate. You find it hard to say no, even though when you put your hand in your pocket to pay moths fly out.

You wanted a small, intimate wedding and only family and close friends are to attend. Your partner insisted on a large wedding because you can't forget to invite your butcher – we'd make a meat pun, but we'd probably butcher it – and doves, so many doves.

Living in your parent's basement isn't what you had in mind to start your marriage, so you both decide to become homeowners. Well, technically the bank is the homeowner.

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The Retirees

Ah, an empty nest. The kids are off at college but their student loans unpacked their bags in your guest bedroom; it looks like they're staying awhile.

You passed by a marina, and it looks like sailing around the Caribbean will have to wait another few years; life is sailing by much too fast. Where has the time gone? More importantly, where has the money gone?

The retirement fund dwindled, and you take a part-time job though it feels like full-time with the amount of time you spend there. These are supposed to be the golden years, not the gonner years.

You Need A Budget!

The Method to Your Madness

Everyone has their methods of what they call saving for the future. We heard em' all and seen em' all.

Let's take a look at some "methods" and why they don't work. Make note if you've done any of them.

The "Life is Beautiful" Method

You rake in \$5000 per month. You're able to budget your money accordingly and have it all wrapped up in a nice, pretty package. Roadblock: The car is smoking on the way to work, and it's going to be a few days before you get it back. That means you'll miss a few days of work pay for the repairs.

Why it's madness

Life get's ugly. You can call all the late night hotlines you want for psychic advice, but even they can predict with 100 percent accuracy. Copy and pasting the same budget each month will send you into a tailspin when the unexpected happens. Expect the unexpected.

The "Night of the Living Credit" Method

You're spending money you don't have using credit cards. Some months it may not be a problem to pay in full, but gradually few give you trouble. Eventually, you're only paying the minimum payment. Nothing is scarier than that.

Why it's madness

You can't see the full financial picture paying with credit. You can't take the eyes of the prize if your goal is financial bliss.

The "Month by Month" Method

Whatever you earn, you spend. You start to circle, and then star, and then highlight payday on the calendar. You're struggled to make it to the next month and wait to breathe a sigh of relief until you're financially suffocating again.

Why it's madness

You're always on red-alert, like a frightened child when the lights go out. It's not the boogeyman you're worried about; it's the darkness of empty pockets that keeps you up at night.

The "Meh" Method

When you've got money to budget, you can't budget zero dollars. Your financial situation will not change so why bother?

Why it's madness

Why do you fall? So you can get back up again. Sure, you're comfy laying down, but your back is getting sore, and it's better you get up sooner than later. There's no way to find out unless you try and pushing aside the idea of a budget only admits defeat.

The "Bells and Whistles" Method

You're using financial software that works by setting it and forgetting it. The problem is, you can't be on auto-pilot and neither should your app. A slick looking report you get at the end of the month shows how you should have managed your money. It's not a good feeling when a pie chart is staring you in the face and saying "I told you so".

Why it's madness

Instead of learning from your mistakes, isn't it easier just to not make them in the first place?

The "Sweat it Out" Method

You're living life on the edge. Checking an account balance is for suckers! You enjoy the thrill of stepping up to the counter and swiping your card hoping they're enough funds to use for your next shopping adventure.

Why it's madness

The thrills in life shouldn't come from crossing your fingers about your finances, it should be through the opportunities you can do with that money. Now that's thrilling!

The "Commitment Issue" Method

You're really excited to give a new method a shot. You didn't see immediate results; on to the next one. Surprise, surprise, you try another budgeting program for a month, and you're not any richer or more organized than when you started.

Why it's Madness

You need to stay consistent with budgeting to see results. The faith you had in your ability to manage your finances is gone and haven't yet found that miracle solution. You constantly switch gears until you do and maybe even go back and try the same one again.

How YNAB can help

Did you tick off any of those methods? As different as they are, they share one thing in common:

They don't give you control of your financial situation.

YNAB puts you in the driver's seat and put in control of your finances. In order to do that, you need gain awareness by making a budget.

Think of a budget as nothing more than a game plan for your money. Just like a game plan, you need to make adjustments as time plays out to focus on the WIN (What's Important Now).

There is no time like the present, so if you are serious about budgeting for the future, let's WIN together.

Go team!

Awesome Features

Budget here, budget there, budget everywhere with Cloud Sync

YNAB version 4 features uses Cloud Sync. Any changes you make to your budget will automatically update on both the computer and phone app. All you need is connectivity to the internet and a free Dropbox account. Don't worry if you're out of range of an internet connection, all transactions will be updated when you are. Your data is kept confidential than an international spy unless you decide to share it with others. Data sent from any of your devices uses the same encryption banks do.

Smartphones are even smarter with the YNAB App

YNAB's iPhone and Android app keeps track of your spending at the point of purchase. With lightning-fast transaction entry right at your fingertips, you'll have your purchase locked in your budget before you've moonwalked out the door.

Since it's always up-to-date, your smart decision sense will be tingling on your next purchase. It's a great sixth sense!

Interface that's almost too simple

YNAB is tailor-made for you to see the big financial picture letting you tuck away money for those larger, reoccurring expenses. \$500 car insurance premium due in five months? Budget \$100 into your 'Car Insurance' each month and watch the balance grow. When it's time to pay it off, no sweat. A situation that left you to think the sky is falling has now grounded you with financial bliss.

Letting the Budget interface show you what needs to happen NOW so you can handle what happens NEXT is its strong suit. The quality of your spending decisions will skyrocket and you'll be managing your money better than you ever thought possible.

Even more great features

Compatible with PC and Mac

You can sync seamlessly between Windows and Mac. Windows at work and Mac at home? All you need is one account.

Global Currencies

YNAB supports Dollars, Euros, Pounds, Rupees, Reals, and just about every other currency in the world. With all the money you are budgeting, we figure you'd do some traveling and got you covered.

Take Notes

Save notes for months, categories, or budget amounts in a category. You have enough on your mind and writing a quick note to yourself now can save you from a world of stress later.

Fantastic Free Support

From the beginner to the most experienced YNABer, we'll teach you how to hit the ground running. Our easy-to-follow online tutorials and live classes are always available to help you.

Autosave

No need to panic if you forgot to save any changes you've made; it does it for you, automatically!

The Four Rules to Rule Them All

Rule 1: Give Every Dollar a Job (Prioritize)

You're the boss. You're El Capitan. When you get your paycheck, you plan on how to you'll use it and follow your plan. When you start giving each dollar a job, you'll become proactive.

The best way to get your bucks in a row is by organizing your budget and creating job descriptions for your money. Once that's set up, you'll decide how much you'll need for each job.

Perfect, you're ready to start budgeting! Actually, once you've done that you already started. You now need to ask yourself – and you'll be asking this question a lot – What does this money need to do before I am paid again?

We know you're already having a blast, but you can't get too ahead of yourself as you need to only budget money you have.

If you have 100 dollars, you may decide to budget \$70 for groceries and \$30 for gas. Stop. That's a budget. It may not be accurate, but it's with money you actually have in your account; it doesn't get any more realistic than that.

Each time it comes in, budget away, but remember to keep asking yourself that question: What does this money need to do before I am paid again?

Rule 2: Save for a Rainy Day (Anticipate)

Take those large, less-frequent expenses that make you turn straight to looking for loose change under the couch cushions and break them down into monthly chunks.

These type of expenses are called Rainy Days and consider YNAB your umbrella.

There are two types of rainy days:

Predicable Rainy Days: You know when these bills are coming up

- Car Insurance: \$800 every six months. Got it.
- Hydro Bill: \$100 every two months. Got it.
- Property Taxes: \$3000 a year. Got it.

Unpredictable Rainy Days: Life throws you a financial curve ball that you can't see coming

- Care Repairs: If you own a car, it's inevitable.
- Medical Bills: Hopefully you won't have many of these, but flu season is all year long.
- Vet Bills: Sparky needs his check-ups, too.

The money you budget toward rainy days will be there when you need it; giving you the feeling of a magician pulling a rabbit out of a hat. When you add money to that category each month, you'll see it grow right into your budget.

You'll gain control by anticipating larger, less-frequent expenses. Gone are the days of being blindsided by bills, because you paid and left them in the rear-view mirror.

Rule Three: Roll with the Punches (Adapt)

A boxer moves his body in the same direction as his opponent's punch, lessening the blow. Budgeting is no different. By being flexible and addressing overspending as it happens, you keep on scrapping!

Overspending happens for a lot of reasons, and you shouldn't feel ashamed. Sometimes it's a mistake, sometimes it's unavoidable, and sometimes, it's a conscious decision. When this happens, it's important to manage your budget in a way that keeps you on track toward your financial goals while adjusting what's occurring now.

Let's say it's Thanksgiving and you need to spend \$20.20 over your budget because the whole family is coming over and they eat seconds.

You remember there are great holiday movies on TV that you'd want to watch after dinner. Well hey, stay in! You decided to lower the amount of money you've budgeted for entertainment and move it over to groceries. Mission accomplished.

Continue to use Rule One throughout the month, while Rule Three keeps you in the fight.

Rule Four: Living on Last Month's Income (Secure)

We want you to be in a place where what you are spending this month is money you earned last month. Rule Four is your goal and by doing the first three, you'll be there sooner than you think.

Picture this, a bill arrives and you pay it. That's it. No need to wonder if there's money in the bank or maxing out a credit card. Just pay it and move on.

All the money you need for next month is already sitting in the bank for a rainy day. The only thing you need to worry about is to resist the urge to splurge.

Getting Started with YNAB

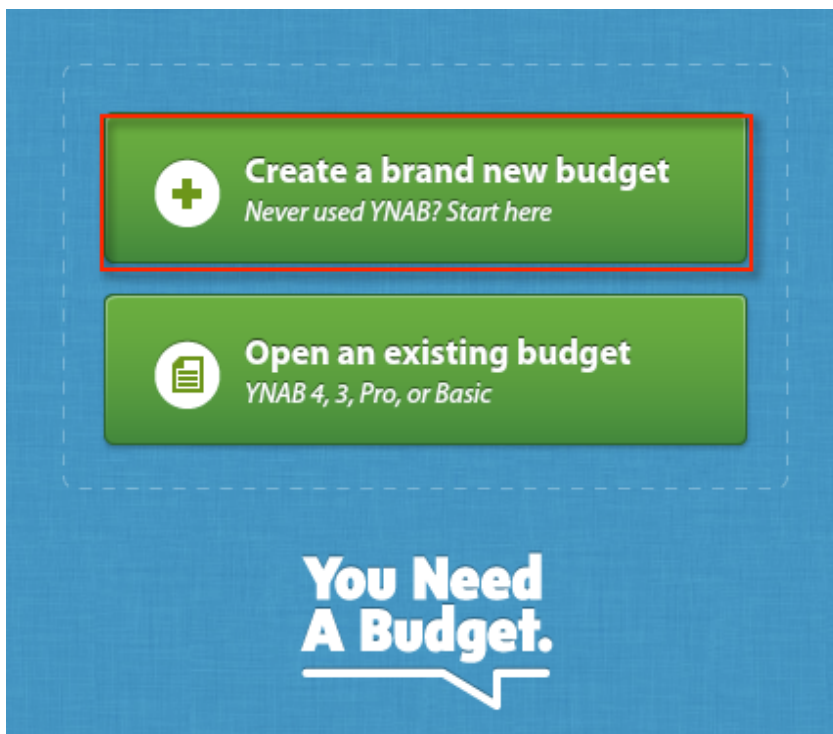
YNAB works best if you are familiar with these four rules and how they work in the software. So we encourage you to read about them first. For now, we'll begin by showing you:

1. Creating a new budget
2. Adding an account
3. Adding and modifying categories (master and subcategories)
4. Adding notes
5. Adding budget amounts

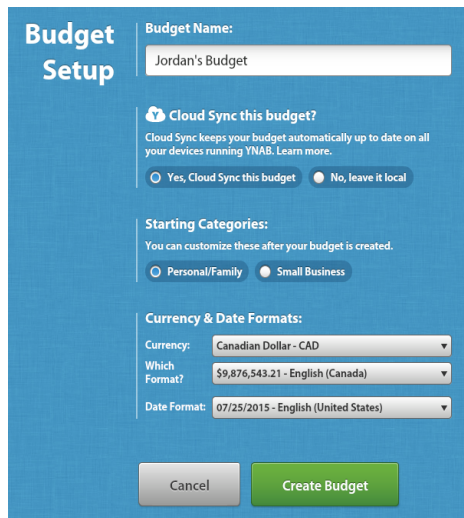
Creating a new budget

How excited are you to create your first budget? This section shows you how get set up from the moment you finished downloading the app onto your desktop. If you selected to Cloud Sync your budget, download Dropbox. Have fun!

1. Click **Create a brand new budget** to take you to the Budget Setup screen.



2. Name your budget
3. Select **Cloud Sync** your budget to keep your budget automatically up to date on all your devices running YNAB.
4. Select a starting category.
5. Choose your currency and date formats.
6. Click **Create Budget**

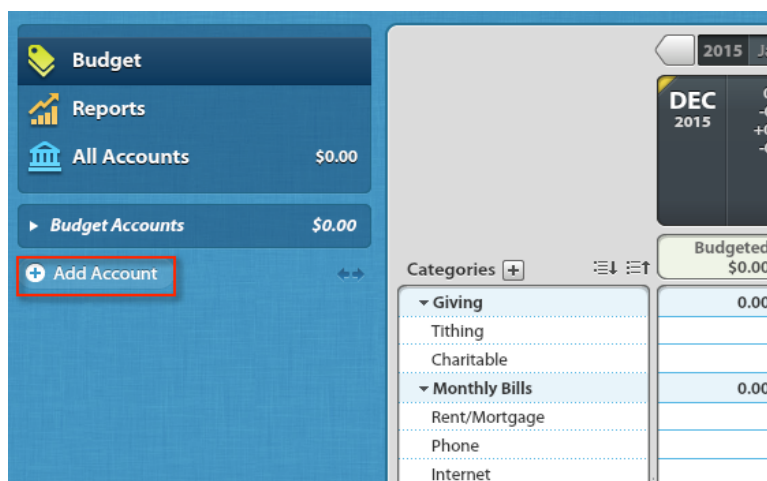


The Budget Setup screen is a blue-themed form. At the top, it says 'Budget Setup' in white. Below this, there's a 'Budget Name:' label and a text input field containing 'Jordan's Budget'. Underneath is a 'Cloud Sync this budget?' section with a cloud icon and a description: 'Cloud Sync keeps your budget automatically up to date on all your devices running YNAB. Learn more.' There are two radio buttons: 'Yes, Cloud Sync this budget' (selected) and 'No, leave it local'. Below that is a 'Starting Categories:' section with the text 'You can customize these after your budget is created.' and two radio buttons: 'Personal/Family' and 'Small Business' (selected). The 'Currency & Date Formats:' section has three dropdown menus: 'Currency:' set to 'Canadian Dollar - CAD', 'Which Format?' set to '\$9,876,543.21 - English (Canada)', and 'Date Format:' set to '07/25/2015 - English (United States)'. At the bottom are two buttons: 'Cancel' and 'Create Budget'.

Adding an account

Time to add your money. This section explains adding the amount in your bank account to determine the amount you have to budget. We recommend the **Budget Account** option as it be used to update your budget.

1. From the home screen, click **Add Account**. You will be taken to the Create a New Account screen.



The home screen has a blue sidebar on the left with a menu: 'Budget' (with a tag icon), 'Reports' (with a bar chart icon), 'All Accounts' (with a bank icon and '\$0.00'), 'Budget Accounts' (with a right arrow icon and '\$0.00'), and 'Add Account' (with a plus icon and a red box around it). The main area is light gray. At the top right, there's a date selector showing '2015 Jan'. Below that is a calendar for 'DEC 2015' with a table of values: 0.00, -0.00, +0.00, -0.00. To the right of the calendar is a 'Budgeted' section showing '\$0.00'. Below the calendar is a 'Categories' section with a plus icon and a list of categories: 'Giving' (0.00), 'Tithing', 'Charitable', 'Monthly Bills' (0.00), 'Rent/Mortgage', 'Phone', and 'Internet'.

2. From the Create a New Account screen, name your account.
3. Input the current balance from your bank account.
4. Select the date of your current balance. If you are inputting your current balance do not change the date as it defaults to today's date.
5. Choose an account type from the Type dropdown menu.
6. Choose if you want this account to affect your budget.
7. Click **Create Account**.

Create a New Account

Name:

Scotiabank Powerchequing

Current Balance:

\$5000

Date of Current Balance:

12/21/2015



You can always change this later

Type:

Savings ▼

☒ Budget Account - This account should affect my budget *(recommended)*

☐ Off-Budget - This account should not affect my budget

Cancel

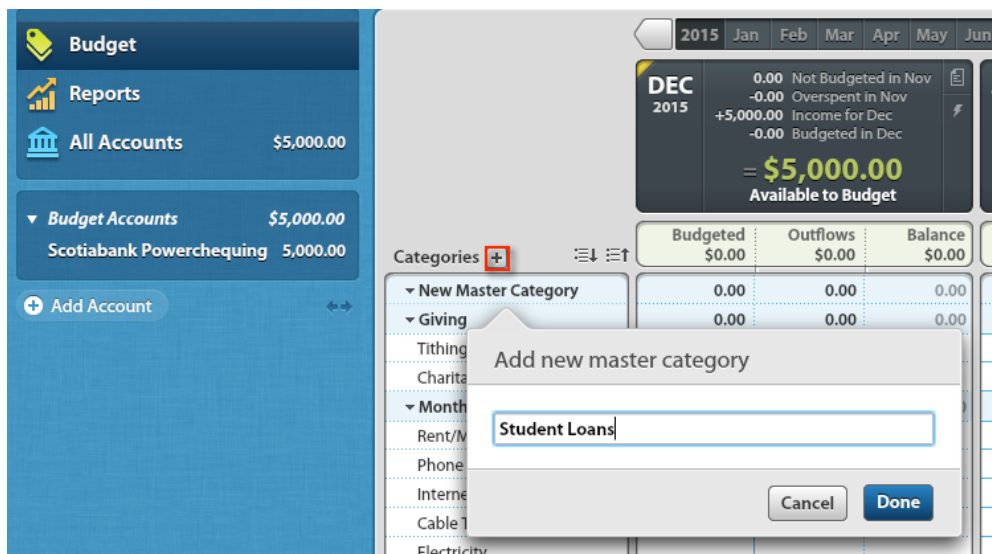
Create Account

Adding and modifying master categories and subcategories

Let's fiddle around with your all your categories. This section explains how to add and modifying master categories and subcategories. It's broken down into four parts so you can quickly refer to what exactly you want to do.

Adding a master category

1. From the home screen, click on  and the Add new master category window will appear.
2. Input name of master category.
3. Click **Done**.

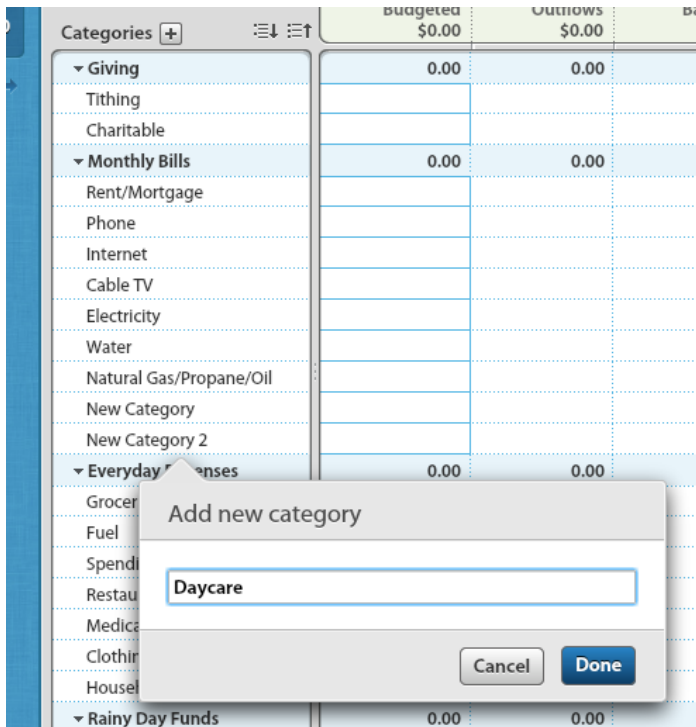


Modifying a master category

1. Click a master category and an edit master category window will appear.
2. Rename the master category.
3. Click **Done**.

Adding a subcategory

1. Hover next to a master category and the  will appear.
2. Click  and the Add new category window will appear.
3. Name the new category
4. Click **Done**.



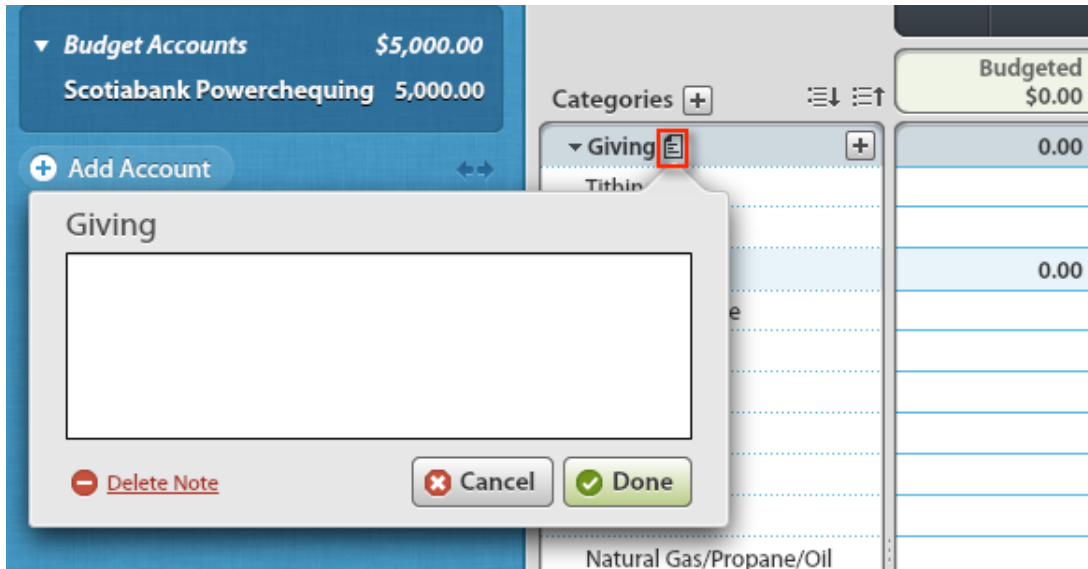
Modifying a subcategory

1. Click on a subcategory and the Edit category window will appear.
2. Rename the subcategory.
3. Click **Done**.

Adding a note

Note to self: Read this if you want to know how to add a note. This section explains adding a note to a master category or subcategory. It's used to jot down important information that you don't want to forget. This feature is kind of a big deal.

1. Hover next to a master category or subcategory and the  will appear.
2. Click  and the Notes window will appear.
3. Write a note.
4. Click **Done**.



Adding a budget amount

Time to set your goals for the month. This section explains adding how to add a budget amount, which will decrease once you add transactions to that category.

1. Click on the field next to the desired subcategory.
2. Type the amount you want to budget.
3. Press **enter**.