

# Financial Report

## Financial Summary

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- Total Income: \$39,952.00
- Total Expenses: \$22,590.21
- Net Income: \$17,361.79 (Total Income - Total Expenses)

### Spending by Category:

- Accommodation: \$9,250.00
- Charity: \$900.00
- Dining Out: \$1,081.50
- Electronics: \$3,500.00
- Entertainment: \$581.96
- Expense: \$200.00
- Fitness: \$160.00
- Groceries: \$2,292.00
- Insurance: \$600.00
- Miscellaneous: \$370.00
- Shopping: \$1,205.00
- Transportation: \$693.00
- Travel: \$950.00
- Utilities: \$806.75

### Key Insights:

- The net income indicates a strong financial position, with income exceeding expenses by a significant margin.
- The largest spending categories are Accommodation and Electronics, which collectively account for a substantial portion of total expenses.

## Personalized Financial Advice

Based on the transaction data you've provided, I will analyze your income and expenses, and then provide some personalized financial advice that aligns with your age, lifestyle, and hobbies.

### Income Overview

#### Your income consists of:

- Regular salary from ABC Corp: \$6,000 per month
- From freelance work: \$1,500 to \$2,200 per month on average
- Investment dividends: Approximately \$250 to \$280 per quarter
- Other one-time income like gifts and bonuses.

#### Total Monthly Income Estimate:

- Monthly salary: \$6,000
- Freelance income (monthly average): \$1,750 (based on the data)
- Dividend income (monthly average): \$70 (approximate quarterly average)

**Total Monthly Income = \$6,000 + \$1,750 + \$70 = \$7,820**

### Expense Overview

Your expenses are categorized into various areas. Based on the provided data, here's a rough breakdown of your average monthly expenses:

1. Housing (Rent): \$2,000
2. Utilities: \$110 (average)
3. Groceries: \$203
4. Transportation: \$55 (average)
5. Dining Out: \$61
6. Entertainment: \$61
7. Health insurance: \$150
8. Miscellaneous/Shopping: \$95
9. Charity: \$145
10. Fitness: \$40

### Total Monthly Expenses Estimate:

- Housing: \$2,000
- Utilities: \$110
- Groceries: \$203
- Transportation: \$55
- Dining Out: \$61
- Entertainment: \$61
- Health Insurance: \$150
- Miscellaneous/Shopping: \$95
- Charity: \$145
- Fitness: \$40

**Total Monthly Expenses: \$2,000 + \$110 + \$203 + \$55 + \$61 + \$61 + \$150 + \$95 + \$145 + \$40 = \$2,920**

### Savings Overview

#### Monthly Savings:

- Total Income: \$7,820

- Total Expenses: \$2,920
- Monthly Savings: \$7,820 - \$2,920 = \$4,900

## Financial Advice

### 1. Budgeting:

- With monthly expenses being approximately 37% of your income, you're in a good position.
- Consider implementing a 50/30/20 budgeting rule. Allocate 50% of your income to needs (like housing and groceries), 30% to wants (entertainment, dining out, etc.), and 20% to savings and debt repayment. Your current expense ratio allows you ample room to adjust towards this framework.

### 2. Increase Savings or Investments:

- Currently saving around \$4,900 monthly is impressive. Consider auto-investing a portion of your savings into retirement accounts (like a superannuation fund if you're in Australia) or other investment vehicles (stocks, bonds, ETFs).
- Emergency Fund: Aim for at least 3 to 6 months' worth of living expenses in an easily accessible account. This would mean saving \$8,760 - \$17,520.

### 3. Travel Savings:

- Since traveling is a hobby, establishing a separate travel fund could help you enjoy trips without impacting your regular living expenses. This requires previous planning and dedicating a specific amount monthly.

### 4. Review Discretionary Spending:

- While dining out and entertainment are enjoyable, consider setting a monthly cap on these categories. For example, aim for a dining out allowance of \$300/month and stick to it to avoid overspending.

### 5. Digital and Subscription Services:

- Assess monthly subscriptions like Netflix, Spotify, or any other digital services. If you find yourself not using them, consider downgrading or getting rid of them.

### 6. Investment in Personal Growth:

- Since reading is a hobby, consider investing in books or courses that align with your career goals or personal interests. This could be a long-term investment in yourself.

### 7. Tax Planning:

- Ensure you're taking advantage of all potential work-related deductions, particularly in

areas such as freelance work and professional development.

#### 8. Charitable Giving:

- You're already making charitable donations, which is commendable. Ensure that this aligns with your overall financial goals. If it feels right, you might consider integrating a fixed percentage for charitable causes into your budget.

#### Potential Areas for Improvement

- A possible area for improvement is the reduction of dining and entertainment expenses if that's where you find your spending is higher than expected.
- Increasing contributions to retirement or investment accounts, as well as prioritizing savings goals aligned with your lifestyle (like travel).

#### Conclusion

Your financial situation shows sound management with the potential for growth and improvement. Adopting a structured budgeting system, being mindful of discretionary spending, and focusing on savings and investments can help you create a secure financial future while enjoying your lifestyle. Always consider revisiting your financial goals periodically to adapt to any changes in income or personal circumstances.