

**IQAC S.K. Somaiya College of Arts, Science & Commerce,
Vidyavihar**

Financial Literacy series

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Hello all,

Taking the financial literacy series ahead.... Last week we looked at the meaning and benefits of financial literacy. The series will now continue and cover the different components of financial literacy.

Budget:

Today's term/component is "budget". It is a plan or a future estimate of income and expenditure. In budgeting, there are four main uses for money that determine a budget: spending, investing, saving, and giving away.

Creating the right balance throughout the primary uses of money allows individuals to better allocate their income, resulting in financial security and prosperity.

In general, a budget should be composed in a way that pays off all existing debt while leaving money aside for saving and making beneficial investments.

Source: [investopedia.com](https://www.investopedia.com)