

# Budget tracking & wealth planning

## What is our purpose?

We want to make personal budget planning and tracking easier and more enjoyable for people from all walks of life. We will aim to assist students, graduates, young professionals and anyone else interested, to get a grip on their personal finances early-on in life, allowing them to build their wealth plan to retirement, and also giving them an easy way to track their financial performance.

## What problem are we solving?

Help customers to live below their means, with the aim to grow their means.

A personal budget is to an individual, what a profit & loss statement is for a business. Without these, both individuals and businesses operate blindly, and have no control over their financial future. There are many excuses given for not maintaining a budget, either it takes too much time, it's too complicated, I don't have enough money, or I don't like knowing that I cannot afford my lifestyle.

We aim to uncomplicate the budget planning and tracking process, integrating it into your daily life seamlessly, making it easy for any individual to understand their financial future given their current lifestyle, and how they can alter their lifestyle and financial plan to achieve their goals.

As the saying goes, what gets measured, gets managed. This is very much applicable to personal finances, yet a large portion of the world's population do not track income and expenses or maintain a personal budget. Most individuals do not realise that their household is their primary business, while their day-job is a means to fund their primary business. The aim of a household budget should be to achieve financial freedom for the household members at a desired point in future.

## App features

### Phase 1

- Budget planning by month
- Income & expense tracking by month

- Automatic bank transaction identification and classification proposal, from SMS messages
- Forecasts for current month spending, based on current actuals for relevant expense groups only (expenses like food, taxis, etc. which occurs multiple times per month)
- Track personal loans to family members and define & track repayment schedule over time
- Forecast actuals based on combination of actuals and planned where actuals are not confirmed yet
- Display chart of savings planned by month, vs actual forecast
- Customised major element colour schemes
- Access control (view/edit) by family members
- Any possibility to gamify the app, like one of these little farms or towns you build where the different expense groups are located in different parts of town, and the goal of the game is to save & invest to generate a passive income greater than your expenses

#### Phase 2

- Simulate average growth on savings or investments
- Wealth projection by month and year, forecasting future value of expenses and passive income
- Scenario planning (can I afford to buy a house?)
- Benchmarking with peers (how much am I spending on food vs peers?)
- Access relevant services based on future plans, i.e. loan applications, holiday plans, pet services, etc.

#### Phase 3

- Wealth building advice, driven by insights of peers (eat less & save more)
- More to come...

## What should our solution look like?

The user interface should be minimalist, intuitive and easy to use, automating as much of the tracking and planning process as possible. Visualisations of future scenarios should be simple and easy to understand. Any non-technical person should be happy to use the solution, and feel informed and satisfied after each interaction.

Benchmarking with peers should deliver visually attractive, clear and actionable insights to manage expectations and improve personal financial plans, similar to businesses benchmarking against industry peer financial statements.

## What makes us different?

Our onboarding process will be designed to mimic a financial planning consultation, with the output being a projection of wealth based on current conditions, some recommendations to

influence future wealth, and the budget planning and tracking platform set up to start tracking immediately.

## What do we need to consider when building the solution?

### UX and UI design

- Should we gamify the entire experience, or should we keep it professional? We should design an intuitive interface that simplifies the planning & tracking process, while making it easy to understand the impact of current decisions on future wealth.

### Functionality design

- We need to define the tool functionalities required for each feature, data elements to track and logic for projections and scenario planning.
- Income and expense tracking should be automated through the implementation of bank notification interpretation and AI to improve automatic classifications.
- We need to identify benchmarking metrics and insights to generate to deliver value to the users.

What makes current excel solution nice to use?

- Quick to add entries
- Easy to see what is planned for month, and coming months
- Easy to see what still need to be paid or received for month
- Easy to see projected expenses and totals for month and coming months
- Easy to see how much I saved to date, compared to planned
- Easy to see which month I will have financial pressure so I can plan what to do
- Easy to simulate financial future when should I change some of my spending or income
- Easy to do provisions for unknown up to a fixed limit, then use actuals if more than provision, and use only actual at end of financial period

- Sections of app
  - Initial setup
  - Daily budget tracking
    - Read bank messages and automatically categorise, ask user to confirm before posting, allow change of category or no to post, with reason for not posting
  - Budget planning
  - Wealth projection & investment advice

- Business partners, to be linked to relevant categories

## Initial setup

### Budget & tracking

- Select relevant categories for current household scenario, or allow creation of new ones, which will enable transaction tracking without full budget planning setup.
- Allow selection of relevant sub-categories, or all creation of new ones.
- When creation new categories or subcategories, search full user database and suggest existing options, or link new options to existing ones to ensure benchmarking will make sense.
- For each sub-category, allow setup of values, escalation rates and applicable periods, relevant months, seasonality, start dates and end dates, custom series and notes. Allow notes for specific sub category, months or years.

### Budget forecasts

- Household details
  - Family members, current age, and age when not a dependent anymore, allow age of independence to be specified for each category for instances where limited support will continue during the transition period.
  - For each dependent, indicate which categories are relevant. This will help to understand which elements will be affected once a family member becomes independent.
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## Daily budget tracking

- Easy selection of relevant categories for specific user, or add new custom categories.
- Launch app, choose Category tile (allow custom arrangement, slide open), choose sub-category tile (slide open), enter value (choose between in or out, default income on in, expenses on out), notes optional, change month if needed, show list of entries for month underneath, show budget for month and MTD total, plus full month projection where relevant
- Proposed categories
  - Income
    - Wages & Salaries
    - Investment income
    - Rental income
    - Retirement income
    - Other income
    - Allow custom Categories
  - Planned expenses

- Taxes
  - Savings & investments
  - Food
  - Transport
  - Family allowances
  - Loans to family
  - Property expenses
  - Utilities & communication
  - Education
  - Passports & Visa costs
  - Petcare
  - Holidays
  - Celebrations
  - Family support & charity
  - Life insurance
  - Medical expenses
- Unplanned expenses
  - Custom sub categories
- Allow enough details in sub categories to be able to link future business services to relevant sub categories.
- Indicate which bank messages are relevant to track to capture and categorise spend and income information.
- Upon reading each new message, show popup for user to select relevant category, in future apply same category, display to customer, allow category change, tap to submit. Use AI to improve categorisation.
- Allow user to change category and time period after saving.
- Allow manual capturing of spend and income data, aim for easy navigation to relevant category and month, then allow selection of different month.