

The West Australian

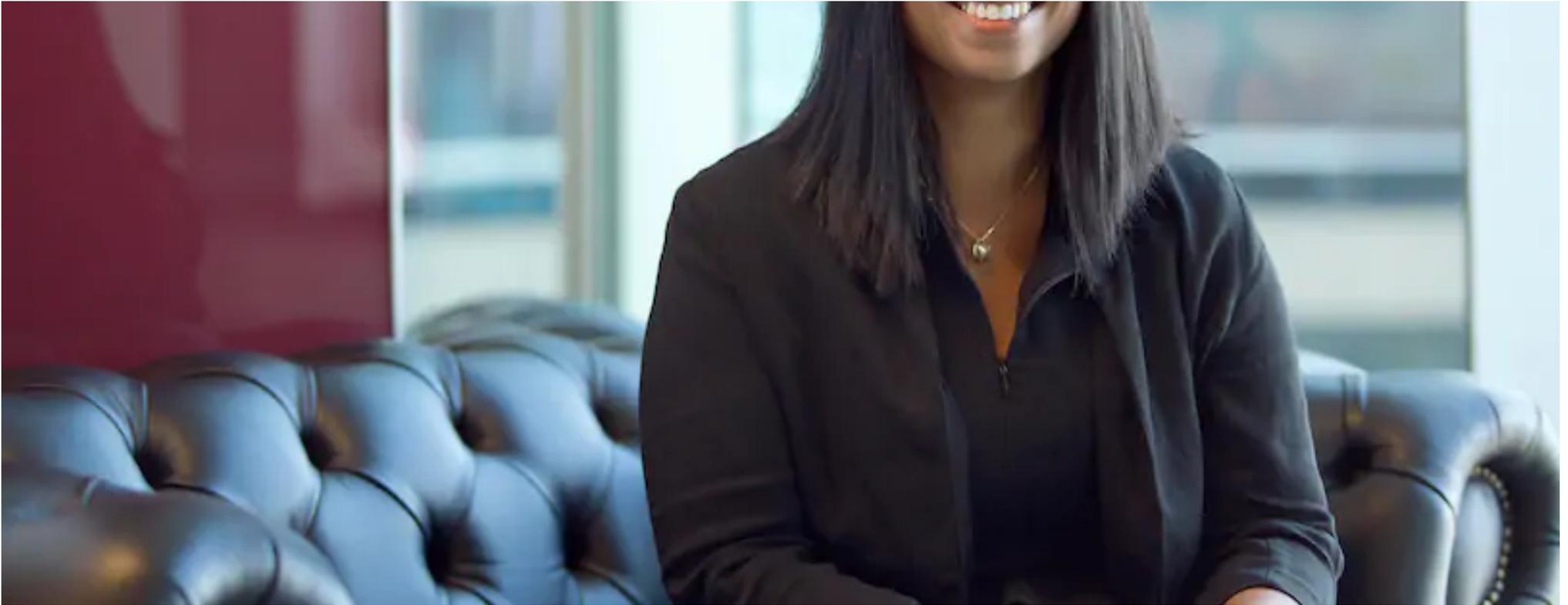
New Episode: Claremont trial podcast: 'The Missing Exhibit'

Smartphone budgeting apps can help if used right



Meilin Chew The West Australian
Saturday, 11 January 2020 11:37AM 





📷 Kelly Pillay, director at KLI Accountants and Wealth Managers

Gone are the days of using an Excel or Google spreadsheet for budgeting.

These days smartphones do the guesswork for you, with personal finance apps designed to help save you money, track your spending and pay off debt.

Financial experts widely agree that creating and sticking to a budget is essential to identifying where your money goes, meeting financial goals and keeping out of debt.

There is no shortage of budgeting apps on the market, many of which are free and all of them promising to make saving money easier.

In a soon-to-be-published study, researchers at Scotland's Heriot-Watt University found 13,000 people who have used personal finance app Money Dashboard over the past eight years were able to reduce their spending significantly.

The effect was strongest for discretionary spend such as dining and drinking, and users spent on average more than \$95 less than they did before.

 Kelly Pillay, director at KLI Accountants and Wealth Managers, says when used properly budgeting apps are fantastic tools because they allow you to see easily where your money goes.

 “Many of my clients use budgeting apps – I’ve seen everything from basic budgeting apps that allow you to track your spending, to accounts that will do spare change round-ups and recurring investments for you,” Ms Pillay said.

 “The most important thing is you need to use it with a purpose. Why are you tracking your expenses? What is the goal? When you use the app with purpose and you hit your target then its very clear to see value.”

Perth-based budgeting coach Matt Hern says budgeting apps won't magically turn an overspender into a saver.

“Whilst I think a budgeting app in isolation won't make you save money, I do use them and recommend them to my budgeting coaching clients, but as an ancillary supporting tool for the purpose of tracking, so they're not the main game,” he said.

“If you want to save, it's about compartmentalising. Your grandparents did it using jam jars or envelopes, so you need an automated system of paying yourself first into multiple compartments which today would be bank accounts.”

He says this is where your banking app might be useful, but not a budgeting app.

Canstar's finance expert Steve Mickenbecker agrees, saying apps are a good starting point but without a budget and savings plan, people will never get to where they want to be.

“Budgeting apps are only as good as the person at the end of your phone. They can give you the tools to stay on top of your finances, but you have to provide the will,” Mr Mickenbecker says.

Users must also be satisfied that the app is secure.

“The full functionality of many apps is not available without sharing your log-ins to your accounts. This means that you have opened up access to your money. It also usually puts you in breach of your bank’s terms and conditions, potentially removing recourse to the bank if there is a fraud on your account,” he says.

Get the latest news from thewest.com.au in your inbox.

[SIGN UP FOR OUR EMAILS](#)

FROM AROUND THE SITE

- ▶ [Fallout of Jeanswest collapse revealed](#) +
- ▶ [Tool retailer secures 33rd store](#) +
- ▶ [Hundreds of Jeanswest jobs gone as stores are closed](#) +



PERTH FESTIVAL

Kick back under the stars and enjoy Perth’s most picturesque outdoor movies at Lotterywest Films

[FIND OUT MORE](#)

TOPICS

Business

RECOMMENDED



Western Australia: Solar Panels Are Almost Free Now, Thanks To The Government!

Solar Power Experts



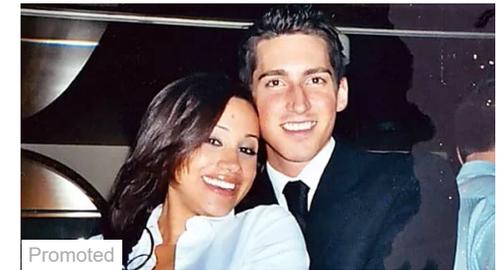
The 2020 Hourly Rates Of Lawyers In Perth Might Surprise You

Top Lawyers | Sponsored Listings



Why Seniors with private health are losing money

Health Insurance Comparison



Photos Of Meghan The Royals Wanted To Keep Private

Trend Chaser



Check the latest cricket scores



In Australia, the mining sector is leading the way and is a world leader in mining tech



Solid new gold assays for Horizon near Kalgoorlie



Failed gym silent on super claim



Promoted

Stop Wasting Money On Outdated Private Health Cover

iSelect



Promoted

These Photos Are Not Edited

Buzznet



Promoted

Improve Your Hearing With This Free Hearing Aid!

Nessa Hearing Australia



Promoted

Australians Born Before 1969 Eligible for Free Hearing Aid Trial

Nessa Hearing Australia

Recommended by

HOME LATEST NEWS SPORT BUSINESS POLITICS OPINION LIFESTYLE ENTERTAINMENT

Digital Edition Place an Ad

THE WEST NETWORK

West Classifieds

The Game

West Video

Airline Ratings

Education

PerthNow

OUR PARTNERS

Starts at 60

Airtasker

iSeekPlant

SUBSCRIBE TO

The West Australian Newspaper

The West Email Newsletters

The West Digital Edition

West Benefits

7plus
7NEWS.com.au

HealthEngine

West Regional Network

Impulse Screen

West Travel Club

7travel

SocietyOne

West Announcements

Better Homes and Gardens

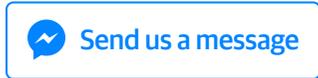
WestBusiness Events

Marie Claire

West Competitions & Puzzles

New Idea

CONNECT WITH US

 Send us a message



[Contact Us](#) [Frequently Asked Questions](#) [Editorial Policy](#) [Editorial Complaints](#) [Place an ad in the Classifieds](#) [Advertise in The West Australian](#)

[Corporate](#)

© The West Australian and Seven West Media (WA). All rights reserved. [Privacy Policy](#) [Terms of Use](#)

The West Australian