



# The Buffer Fund

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# The Buffer Fund



The buffer fund I keep in my business account.

So each month all my invoices are paid into my business account and then I pay myself a 'wage' into my personal account and the money for my saving spaces goes out of the business account.

This then leaves me with some left over in the business account.  
Which builds into a buffer fund.



# The Buffer Fund



The buffer fund is used when some months may have been a bit work slow.

Maybe a client has recently died or gone into hospital so you have space available.

Or maybe you have had to take some time off sick.



# The Buffer Fund



Having a bit of a buffer fund will allow you to not worry if times get a bit hard.

Advice varies for how much to aim for in this fund, some people aim for 3-6 months worth of your monthly essential outgoings

The aim is to get a solid financial cushion to take the pressure off for a little while if for some reason you aren't able to work.



# Income Protection



This is one way to provide some income protection for you and your family.

There is also an insurance option to provide income protection.  
See Income Protection Lesson



# The Buffer Fund



This is something to build slowly and aim for as your business grows, don't feel like you need to implement this straight away.

But if you did want to, you can always aim to have £50 each month left in your business account, which will then slowly build up each month.





## Task:

Begin to think about your business account as the buffer fund and get into the habit of leaving some money in there.

