



MONEY PLAN

Let's Get Started...

Budgeting, (making a plan of how to spend your money), is a great way to take control of your finances. By creating a budget, it helps you to understand what money you have coming in, what you need, and how you can make ends meet.



To put together your money plan, you will need:

- Bills, statements, letters and receipts relating to your income (money coming in) and expenditure (money coming out).
- Details of who you owe money to
- Paper, pens and a calculator

Top Tip!

Before you start your plan, you might find it useful to keep a spending diary for at least a week. Make sure you record everything you spend, now matter how small!

You also need to decide whether you work out your plan monthly or weekly. You can do either.

Changing monthly amounts into weekly

If you have monthly amounts for your income and expenditure, you can change to weekly amounts.

Here's how:

- Multiply (x) the **monthly amount by 12**. (This gives you the yearly amount).
- Divide (÷) this by **52** and this gives you the **weekly** amount.

Example: If you pay £30.00 a month for your mobile phone, you would use this calculation:
 $30 \times 12 \div 52 = \text{£}6.92$ a week



Changing weekly amounts into monthly

If you want a monthly money plan but have figures for weekly, you can change to monthly amounts.

Here's how:

Multiply (x) the **weekly figure by 52**. (This gives you the yearly figure).

Divide (÷) this by **12** and this gives you the **monthly** amount.

Example: If you pay £10.00 a week for gas, you would use this calculation: **$10 \times 52 \div 12 = \text{£}43.33$** a month.

STEP 1: MONEY COMING IN

Use this sheet to record the money you have coming in. Where does it come from? How much is it? When do you receive it?

TYPE OF INCOME	HOW MUCH A WEEK?	HOW MUCH A MONTH?	WHEN DO YOU GET IT? (e.g. 1st of month)
Wages	£	£	Day/Month
Child Benefit	£	£	Day/Month
Child Tax Credit	£	£	Day/Month
Income Support	£	£	Day/Month
Working Tax Credit	£	£	Day/Month
Employment Support Allowance/Job Seekers Allowance	£	£	Day/Month
Housing and Council Tax Reductions	£	£	Day/Month
Disability Living Allowance /Personal Independence Payment	£	£	Day/Month
Universal Credit	£	£	Day/Month
Other Benefits	£	£	Day/Month
Contributions from others	£	£	Day/Month
Other	£	£	Day/Month
TOTAL	Per Week	Per Month	

STEP 2: BILLS YOU NEED TO PAY

Use this table to record the details of all your current household bills. Include anything (except any debt repayments and day-to-day-spending).

TYPE OF BILL	HOW MUCH?	WHEN PAID (weekly or monthly)	HOW IT'S PAID (e.g. direct debit or cash)
Rent/Mortgage	£		
Council Tax	£		
Service Charge	£		
Gas	£		
Electricity	£		
Water	£		
Television Licence	£		
Mobile Phone	£		
Contents/Home Insurance	£		
Car Insurance	£		
Cable/Satellite/ Broadband	£		
TOTAL			

STEP 3: THE OTHER THINGS YOU NEED TO BUY

There are many things that you will spend money on, as well as your bills. Use the table on page 7 to record what you spend over a week or month to give you an accurate picture of your spending.

This is where your spending diary can be helpful when remembering where your money goes.



The list on the next page doesn't include everything, so you must include things that you regularly spend money on.



Try and estimate how much you spend on things like clothes and take-aways and work out how much you would spend in an average week or month.

It can be hard to be honest about your spending, but if you are honest, you will have a full picture of where your money is going.

TYPE OF EXPENDITURE	TOTAL WEEKLY		TOTAL MONTHLY
Food Shopping	£		£
Lunches/Snacks/ Sweets	£		£
Travel/Petrol	£		£
Household/Toiletries	£		£
Going Out/Take-Out	£	→	£
Tobacco/Alcohol	£	<p>To work out costs from Weekly to Monthly, follow this calculation:</p> <p>Multiply (x) weekly cost by 52 and divide (÷) by 12.</p>	£
Clothes for Self	£		£
Clothes for Family Members	£		£
Toys/Books for Children	£		£
Holidays / Day Trips	£		£
Gifts	£	→	£
Medications	£		£
Subscriptions	£		£
Pet Costs	£		£
TOTAL WEEKLY:		TOTAL MONTHLY:	

STEP 4: YEARLY OR OCCASIONAL SPENDING

We only have to pay for some items once a year or every few months and because of this, we usually forget to add this to our budget plans; this usually means that when it comes to paying for these items, we don't always have the money to pay.

If you put these items in your money plan, you are less likely to need to borrow money and get into debt as you would have already pre-empted the cost.



Examples of items that have to be paid less regularly include things like birthday presents, haircuts, MOT's and vehicle servicing, car repairs, insurance excesses, school uniforms and household emergencies.

Top Tip!

Some people find it useful to have a jar, envelope or a separate bank account where they put money aside each month for these expenses.

ITEM	ANNUAL COST	WHEN DO YOU GET IT? (e.g. 1st of month)
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
	£	£ Day/Month
TOTAL WEEKLY/MONTHLY TO ADD TO BUDGET		£

STEP 5: DO YOU OWE ANY MONEY?

If you owe any money, use the table on page 11 to record it. Put down all the debts you have. Don't ignore any as you won't see your full financial picture and could get deeper into debt!

In the table on page 11, record all that you owe, (including to family or friends), and whether you are making repayments or not.



If you are repaying debts, put down how much and when, so this can be included in your money plan.

If you are due to start making repayments soon, you need to add it in so that you know you can afford to repay in the future.

TYPE OF DEBT	HOW MUCH IS OWED IN TOTAL?	ARE YOU REPAYING? HOW MUCH?	WHEN ARE REPAYMENTS DUE? (weekly/monthly)
Rent Arrears	£	Y/N £	weekly / monthly
Council Tax Arrears	£	Y/N £	weekly / monthly
Gas/Electricity Arrears	£	Y/N £	weekly / monthly
Water Arrears	£	Y/N £	weekly / monthly
Catalogue/Online Accounts	£	Y/N £	weekly / monthly
Hire Purchase (e.g. Bright House)	£	Y/N £	weekly / monthly
Bank (e.g. overdrafts / loans)	£	Y/N £	weekly / monthly
Credit Cards (unless paying in full each month)	£	Y/N £	weekly / monthly
Credit Unions	£	Y/N £	weekly / monthly
Gambling Debts	£	Y/N £	weekly / monthly
Friends/Family	£	Y/N £	weekly / monthly
Other	£	Y/N £	weekly / monthly
TOTAL	£	£	TOTAL PAYING OFF EACH WEEK/MONTH

STEP 6: LET'S PUT IT ALL TOGETHER

Now you have done the hard work, the next step is to put this all together in your money plan. This will show you your current situation. On page 13, you will write in all figures collected from steps 1-5.

At the bottom of page 13, you can work out your total income and total expenditure. This will show you whether you have any money left at the end of each month.



Before you complete the table on page 13, remember to decide whether you are going to fill in your sheet with monthly OR weekly figures.

STEP 7: LET'S MAKE SOME CHANGES

Great work!

You have now looked at where your money is going. You may now have some thoughts about if you want to save more or repay debts. Have a think about the things you could spend less money on, or could do without. If you live with other people, get them involved!

It's great when you see your savings grow or watch your debts reduce. You may even want to set yourself a goal to treat yourself.



Use the action plan on page 15 to help you think about how you can reduce expenditure.

Make sure you are realistic about the changes you make and don't restrict yourself too much, and don't wipe out all your treats. You will resent your new budget if you do this and therefore probably won't stick to it!

Make sure you have thought of everything! Think about any additional spend that may be ahead!

Look at each area to see if you can think of ways to make any savings.

BILLS-(Gas, Electricity, Water, Mobile Phone, Broadband etc)

Ways you could save money...	Possible Savings
1.	£
2.	£
3.	£
4.	£

DAILY SPENDING—(Food, Takeaways, Clothes etc)

Ways you could save money...	Possible Savings
1.	£
2.	£
3.	£
4.	£

YEARLY SPENDS-(Travel Expenses, Insurances, Holidays etc)

Ways you could save money...	Possible Savings
1.	£
2.	£
3.	£
4.	£

Other

Ways you could save money...	Possible Savings
1.	£
2.	£
3.	£
4.	£

STEP 8: LET'S MAKE A NEW PLAN

Now you have thought about the changes you can make, it's time to make your money plan for the future. Be sure to add in all the changes you have identified, including estimated savings you could make and complete the table on page 17. We have also given you an additional plan to complete on page 18, just in case you want to make additional changes in the future.

It's better to make small changes to start with, and if you find this is manageable, you can then make additional changes.



If you are struggling to make your budget balance, it means that you are having to borrow money to cover daily costs. Take a look at page 19 to find details of many organisations or charities that can help you.

STEP 9: WHO CAN I TALK TO?

There are lots of organisations and charities that can help you if you are struggling to manage debts. Here are a few examples of who to contact if you need support and advice.

Citizens Advice

Full debt and consumer advice service. Find your nearest Citizens Advice centre. Opening times are different for each location.

Telephone: 03444 111 444



**citizens
advice**



StepChange Debt Charity

Full debt service that's available across the UK.

Telephone: 0800 138 1111 (free from mobiles)

Opening Times: Mon-Fri 8am-8pm, Sat 8am-4pm

National Debtline

Provides free advice and resources.

Telephone: 0808 808 4000

Opening Times: Mon-Fri 9am-8pm, Sat 09:30am-1pm



**NATIONAL
DEBTLINE**

Other Organisations/Charities:

Christians Against Poverty, Civil Legal Advice, Debt Advice Foundation, Debt Support Trust, Business Debtline and PayPlan. You can also visit your local council.