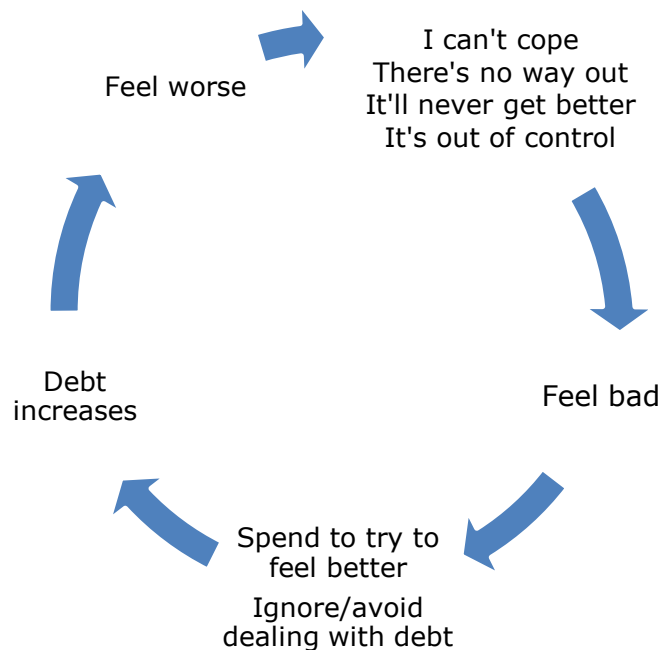


Budgeting



Worrying about money, or lack of it, can be very stressful. Having to get by with not much money coming in, or having a regular income but just not being able to keep up with the outgoings. Getting into debt causes even more stress. Sometimes we don't help ourselves – we often spend more to try to feel better. For example by impulse buying, smoking or drinking more, or going out socialising to try to escape the stress of it all. Or maybe we just carry on regardless, trying to ignore the increasing debt.



By looking at and dealing with the debt, we can start to take control, and things will start to improve:

- In debt
- Feel bad
- Deal with problem
- I'm in control
- Feel better

Budgeting Worksheet



Step 1 – Add up your monthly income

Include salaries / wages ('take home' rather than 'gross'), pensions, benefits, interest and any other income. If any income is quarterly or yearly, then calculate the average monthly income.

Source of income	Amount	Weekly, monthly, quarterly, yearly	Average monthly income
Salary / Wages			
Salary / Wages			
Benefits			
Allowances			
Pensions			
Maintenance			
Other...			



Step 2 – Work out your monthly expenses

Write down everything you spend, every day, for a month

Check your bank statements for direct debits and standing orders

If some expense are yearly, then divide by 12 to give you the monthly expense, or divide by 3 if quarterly.

Include as much detail as you can as this will help you identify where you might be able to make savings.

The final column on the worksheet "Category?" can be completed at the end of the month, to help you complete the next step.

Print or photocopy as many copies of the Spending Diary as you need.

Spending Diary – One Month

Day / Date	What did I spend it on?	How much did I spend?	Category? (complete at end of month)

(photocopy or print this sheet as many times as you need to)

Step 3: Add expenses together into categories

Fill in the last column on the monthly spending worksheet, then add up each category and complete this table:

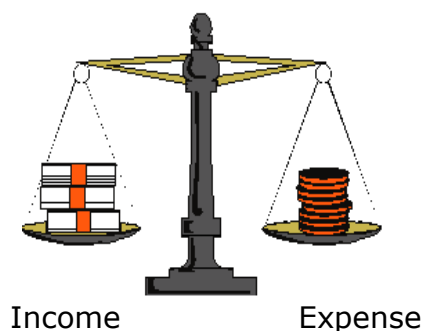
Category	Total monthly (average) spend
Housing (Rent, mortgage, council tax, insurance)	
Home and garden (DIY, house maintenance, gardening, equipment etc)	
Debt payments	
Health (insurance, prescriptions etc)	
Utilities (electricity, gas, water, telephone)	
Food, groceries (top up as well as 'big' shop)	
Clothing (monthly average)	
Transport (fuel, tax, insurance, public transport fares, car/bike maintenance)	
Entertainment (internet, eating or drinking out, gym, television, movies etc)	
Any other expenditure:	

Step 4 - Subtract expenses from income

Total average monthly income		
Total average monthly income	-	
Total	=	

If you are left with more than zero – well done!

If less than zero, then you need to go back to Step 2, examine your expenses, prioritise what needs to be paid (rent or mortgage, utility bills etc), then look at what you can cut down on in order to balance the money scales.



Step 5 – Getting help

There will be times when we need help to deal with debt. The thought of contacting the companies or organisations we owe money to can be stressful and frightening, but most companies and organisations are very receptive to being contacted and will usually agree to lower regular payments over a longer period – they would rather have a little money than none at all.

Many people find it helpful to have one loan, so that they can make one monthly payment, rather than lots of smaller ones.

Talking to an expert (see links below) can help you deal with your debt, and to contact organisations and make payment arrangements.



Citizens Advice Bureau www.citizensadvice.org.uk

The National Debtline (UK) has several guides, sample letters and budget sheets to download http://www.nationaldebtline.co.uk/england_wales/debt_advice.php

Online money health check <https://healthcheck.moneyadvice.service.org.uk/>

