

Budget Planner...

INCOME

Wages	£
Child Benefit	£
Tax Credits	£
DLA/PIP	£
Housing Benefit	£
Other benefits	£
Maintenance	£
Other income	£

Expenditure

Mortgage	£
Rent	£
Insurances	£
Gas	£
Electricity	£
Water	£
TV Licence	£
Home phone/broadband/Sky	£
Mobile phone	£
Public transport/taxis	£
Car insurance	£
Car tax	£
Car MOT/maintenance	£
Fuel	£
Food/cleaning/toiletries	£
Clothes	£
Nappies & baby items	£
Pet food/vets bills	£
Hairdressing	£
Health costs	£
School/work expenses inc meals	£
Pocket Money and Children's items	£
Hobbies/leisure	£
Gifts (birthday, Christmas and charity)	£
Other	£

TOTAL WEEKLY/MONTHLY INCOME £

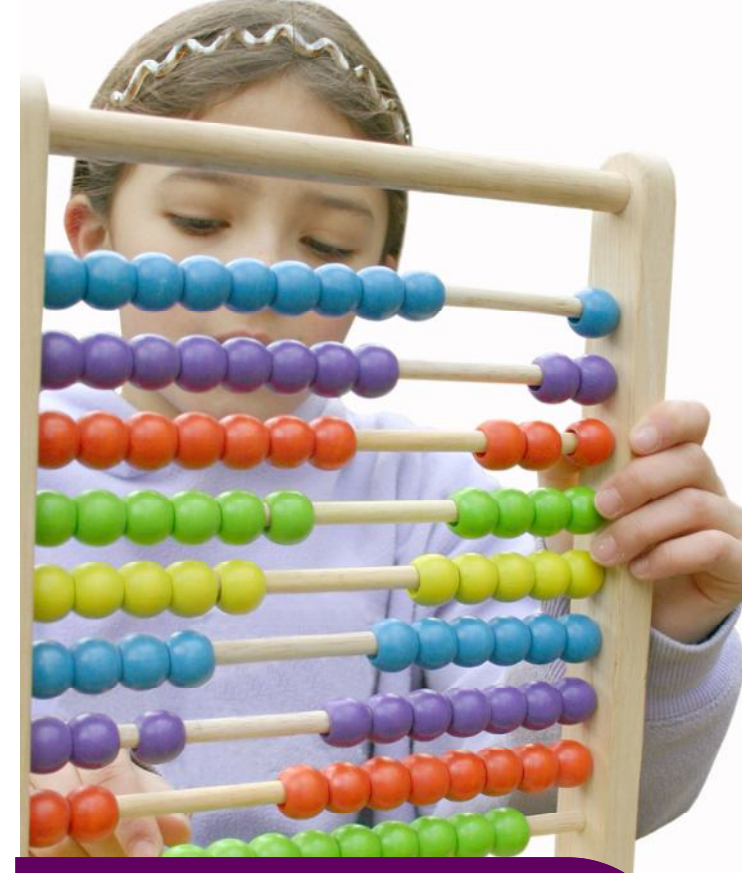
TOTAL WEEKLY/MONTHLY EXPENDITURE £

About Us:

Money Facts...

This leaflet was developed by Rainbow Money in Scarborough, a debt support project working as part of The Rainbow Centre. For more information please go to www.rainbowcentre.org

Please Note.... this leaflet aims to provide helpful and accurate information. However this document is a guide only and we ask that you consult with a professional before making significant decisions about your finances.



Money

Facts...

Budgeting...

How to plan your spending
and saving

Introduction

Thank you for coming to see us here at Rainbow Money. Hopefully we have been able to help you with your initial problems.

This leaflet is designed to help you manage your finances so the you can make your essential payments and also plan ahead for special occasions.

Why Budget ?

Budgeting will help you plan for your essential payments such as rent or mortgage, Council Tax, on-going use of water, gas, electricity and any other items you require such as telephone, TV License, Internet and also what you can put aside to cover unexpected bills and annual items of expenditure.

How to Budget

In order to budget effectively you will need to make a list of all your expenditure. This can be broken down into three different types:

Weekly: food, school dinners, cash purchases etc

Monthly: gas, electric. Water, rent/mortgage, regular payments

Annual/one-off: birthdays , Christmas, car tax, MOT, holidays.

It might be useful to keep a spending record for a couple of weeks so that you can get a more accurate

idea of how much you spend on food and housekeeping each week. Use a calendar to mark important dates such as birthdays, anniversaries and insurance renewals, make a list of how much you spend on these.

Your expenditure is not going to be the same every month so budgeting will help you plan ahead for those months when your expenditure will be higher.

Weekly or Monthly Budget ?

You will need to decide whether you wish to work out your budget on a weekly or a monthly basis. This will depend on your own preference and how frequently you receive your income. You must bear in mind that household expenditure does not fit into a neat pattern, you will need to put money aside and NOT be tempted to use it for other purposes.

Drawing up your Budget

Using the budget sheet in this leaflet to help you:

1) list all your regular expenses (remember to use either weekly or monthly, not a mixture of both

2) add up all your annual expenses including extra costs for Christmas, divide this amount by 12 if calculating a monthly budget or 52 if calculating weekly. Put this amount on the budget sheet under Allocated Savings for expenses

3) at the top of the budget sheet put in your income, again it is important that you use either weekly or monthly figures, to match your expenditure.

4) if your budget is going to be manageable your regular income must be higher than your regular expenditure. If this is not the case the budget will need to be revised to a level where you can live without resorting to using credit.

Living within your Budget

Now you have worked out how much you need to live on, you will need to organise your bank accounts.

Ideally you should have three accounts for budgeting purposes:

an account for everyday spending

an account for all automatic payments

an account that can be used to save for irregular/ annual expenditure

It will be easier if these are all with the same provider, if this is not possible then make sure you allow extra time for transfers between banks.

When your money is received, make sure that you immediately transfer funds across to cover your automatic payments and also save for irregular payments.