



Sample Budget

<u>Monthly Income</u>	Actual
Salary (take-home)	_____
Freelance earnings (after tax)	_____
Government benefits	_____
Pension income	_____
Alimony or child maintenance	_____
Investment income	_____
Rental income	_____
Other income (specify)	_____
Total Income	_____

<u>Fixed Expenses</u>	Budgeted	Actual
<i>Home:</i>		
Mortgage or rent	_____	_____
Electricity	_____	_____
Gas	_____	_____
Water rates	_____	_____
Council tax	_____	_____
Community charge	_____	_____
Buildings insurance	_____	_____
Contents insurance	_____	_____
Other (specify)	_____	_____
<i>Transport:</i>		
Car loan	_____	_____
Petrol	_____	_____
Car insurance	_____	_____
Road tax	_____	_____
Public transport	_____	_____
Taxis	_____	_____
Other (specify)	_____	_____
<i>Daily expenses:</i>		
Food (at home)	_____	_____
Cleaning supplies and toiletries	_____	_____
Laundry, dry cleaning	_____	_____
Medicines, medical costs	_____	_____
Other (specify)	_____	_____
<i>Debt repayment:</i>		
Mortgage loans	_____	_____
Student loans	_____	_____
Credit cards	_____	_____
Store cards	_____	_____
Other (specify)	_____	_____
<i>Other monthly bills:</i>		
Telephone (fixed line)	_____	_____
Telephone (mobile)	_____	_____
Child care	_____	_____
Life insurance	_____	_____
Income protection insurance	_____	_____
Private health insurance	_____	_____
Alimony or child support	_____	_____
Pension	_____	_____
Endowments	_____	_____
Other (specify)	_____	_____
Total Fixed Expenses	_____	_____

<u>Discretionary Spending</u>	Budgeted	Actual
<i>Entertainment:</i>		
Meals in restaurants, takeaways	_____	_____
Pub, off licence, wine bar	_____	_____
Tobacco	_____	_____
TV licence, TV digital channels fee	_____	_____
Internet connection	_____	_____
Books, magazines, newspapers	_____	_____
CDs, music	_____	_____
Tickets for cinema, concerts, sports	_____	_____
Sports, hobbies, club memberships	_____	_____
Kids' activities	_____	_____
Gambling	_____	_____
Home decoration, gardening	_____	_____
Other (specify)	_____	_____
<i>Irregular expenses:</i>		
Home repairs	_____	_____
Appliances	_____	_____
Car repairs	_____	_____
Pets (including vet bills)	_____	_____
Holidays, travel	_____	_____
Christmas, seasonal gifts	_____	_____
Birthdays and non-seasonal gifts	_____	_____
Clothing	_____	_____
Toys (for children)	_____	_____
Hairdresser, barber, other beauty	_____	_____
Other (specify)	_____	_____
Total Discretionary Spending	_____	_____
TOTAL SPENDING (FIXED + DISCRETIONARY)		
	_____	_____

What Do the Numbers Tell You?

How healthy is your financial situation? Let's take a close look at the numbers you just compiled to see what they tell you. We'll start with your money flow.

- If your **TOTAL SPENDING** is more than **TOTAL INCOME**, then you have an obvious and immediate problem. You're on a collision course with the Great Unknown. But you already know this, don't you?
- Look at the debt repayment category of spending. If your debt repayments on student loans and consumer debt (credit cards + store cards) amount to more than 20% of your income, you're heading for trouble.
- If your mortgage payments amount to more than 30% of your monthly income, you're heading for trouble.
- If your **DISCRETIONARY SPENDING** is equal to or greater than your **FIXED EXPENSES**, then you may be spending too much. (Exception: If there's a special reason why you have low fixed expenses—for example, you have paid off your mortgage and are living rent-free—you may be all right.)