



BEGINNER'S GUIDE TO Managing Money



Financial Wellbeing is having a sense of security and feeling that you have enough money to meet your needs each month.

Managing your money is an essential life skill. The best way of organising your finances is to **have a clear idea** of what money is coming in and out of your household. Considering these matters will help you start to manage your budget.

A **budget** will help you assess how much money you have left over to either pay off any debt, or to save up for something special.

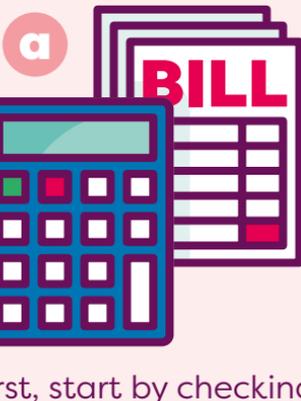
Key Budgeting Tips

1 Start by checking how much money is coming in (income).

Check your payslip and any benefits. Your bank account can help **highlight** payments that are coming in each month.



2 Checking how much you spend (expenditure) can be more difficult.



First, start by checking things that you need to **pay** (e.g. rent, bills, council tax etc).



Calculate how much you spend on **essential** things like food and transport (train/bus pass, car payments).



Consider what you **spend** on leisure, clothes, and things that you spend at different points in the year – for instance Christmas or trips away.



Checking your receipts (or bank statement) over a couple of months will help you find an **average** and be more accurate about your monthly spend.

3 Once you have figured out your average monthly spend, you can compare it to your income.

If your income is more than your spending then you're in a **good** position. You can save, invest or pay off debt with this money. If your spending is more than you income then you might have to consider **cutting back** on your spending or try to increase your income.



Is your budget realistic?

If your budget says you should have £100 left every month, and you don't, you will need to **review your figures** as you may have missed something out.

4 If you need to cut back, start by looking at non-essentials (such as subscriptions and contracts).

Could you **compare prices** on groceries (e.g. non-branded products)?



5 To effectively budget it's also important to check you're on the best deal for utilities, mobile phone contracts and car insurance.

Or can you get a similar deal for **cheaper** somewhere else?



6 There are also many budgeting apps available.

They **link directly** to your bank accounts, helping you break down your spending into different areas.



Sometimes with HD, as there are many pressures within the family, budgeting can often become a low priority.

If you are facing financial difficulties, please get in touch with **SHA's Financial Wellbeing Service** who can help provide advice and support to assess your finances and help maximise your **income** and help you **budget** for the future.

