

HOW TO USE YOUR

Budget Builder



1 Prepare

Go through your bank statements and bills to help you work out what you spend. You might want to keep track of everything you spend in one week to help you identify any spending you may have forgotten about.

2 One step at a time

Go through your Budget Builder line by line. Fill in the income sections with what you earn/receive in benefits. Move onto the spending sections. Some lines may not apply to you, but make sure you include everything - even the small things can add up quickly.

3 Be honest with yourself!

Make sure you include what you actually spend. Don't try and hide anything; it's not going to go away just because you don't include it in your budget.

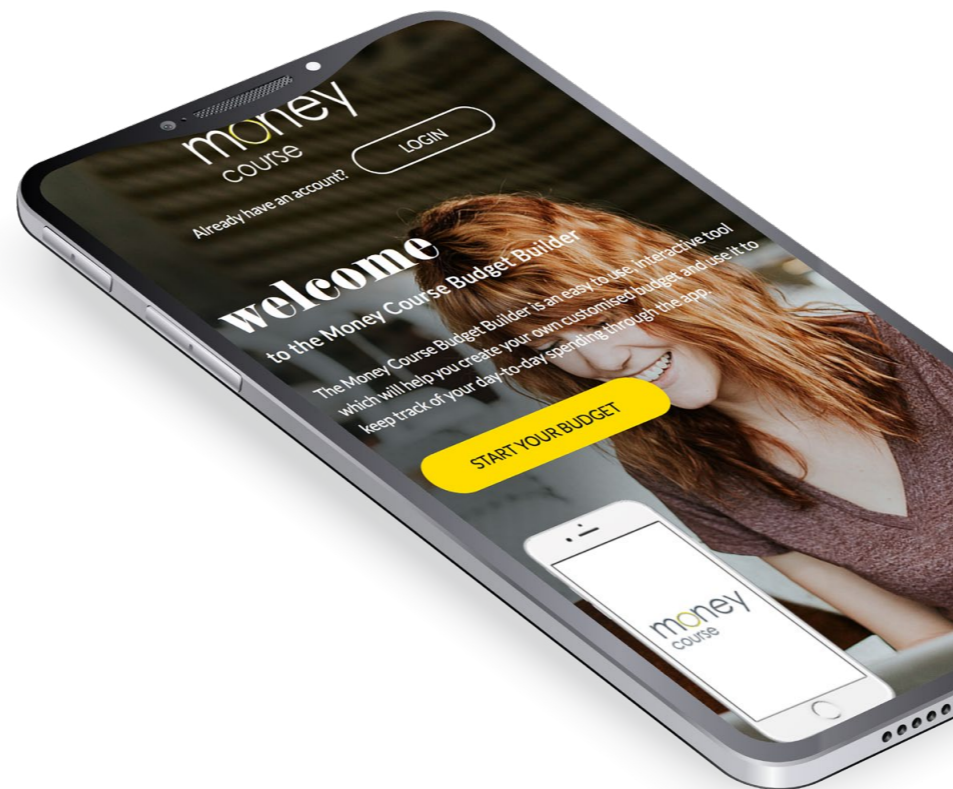
4 Think about any savings you can make

Your budget may not balance the first time around, but don't panic. Ask yourself if there are any savings you can make? What can you cut down/cut out? Does your spending reflect your priorities? Are you able to put anything aside each month to build up some savings?

5 Keep your budget up to date

A budget isn't a one-time thing! It changes and evolves as your situation changes. So make sure you keep an eye on your budget and update it if you need to.

Create your budget online
or download the Budget Builder app at
budgetbuilder.themoneycourse.org



The Money Course resources are produced by
Crosslight Advice. www.crosslightadvice.org

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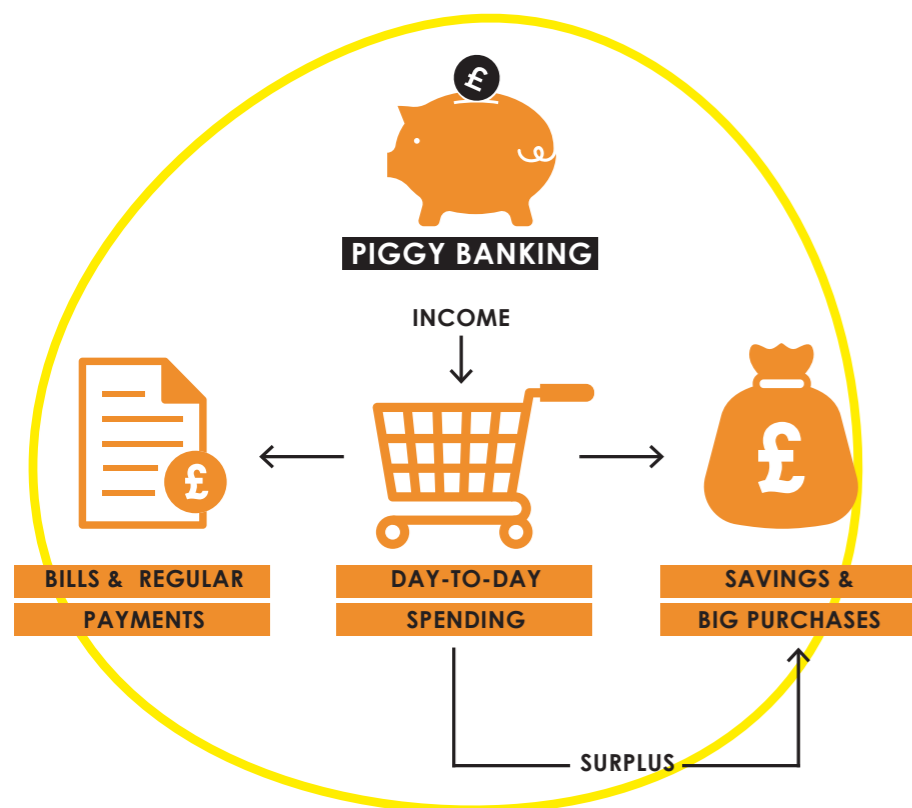
Budget Builder



6 steps

TO SETTING UP PIGGY BANKING

Piggy Banking is a simple tool to help you manage your money. It works on the basis that most of us find it difficult to keep track of everything that's going on with our money. Piggy Banking makes things much simpler by breaking down all our spending into three pots.



1 USE YOUR BUDGET BUILDER TO SEPARATE YOUR SPENDING INTO THREE POTS



BILLS AND REGULAR PAYMENTS

All the bills or payments you pay regularly.



DAY-TO-DAY SPENDING

Your day-to-day living expenses e.g. food, leisure and entertainment.



SAVINGS AND BIG PURCHASES

All the things you want to save up for.

2 ADD UP THE TOTAL SPENDING FOR EACH OF YOUR THREE PIGGY BANKING POTS

If you prefer, you can use our online Budget Builder to create your budget – it will work out your Piggy Banking totals for you! Visit budgetbuilder.themoneycourse.org

3 OPEN THREE BANK ACCOUNTS, ONE FOR EACH OF YOUR PIGGY BANKING POTS



4 ORGANISE YOUR INCOME AND PAYMENTS

1 Arrange for your income to be paid into your **Day-to-day spending account**.

2 On the same day that you get your income, set up two automatic bank transfers (Standing Orders):

- Transfer the Bills total from your budget into your **Bills and regular payments account**.
- Transfer the Savings total from your budget into your **Savings and big purchases account**.

3 Make sure you use the correct account when you spend any money. So all your bills are paid from your Bills account. Anything you are saving up for comes out of your Savings account. And everything that is left in your day-to-day account can be used for your everyday purchases.

5 MAKE AN EXTRA TRANSFER IF YOU RECEIVE MORE INCOME THAN YOU'VE BUDGETED FOR ONE MONTH

If this happens, transfer the extra income into your savings account, so that you can use this surplus in any months when your income is lower than you were expecting.

6 IF YOU NEED TO, THINK ABOUT USING CASH TO HELP YOU BUDGET

Draw out from your Day-to-day spending account the amount of cash you need for the week, based on the budget you have drawn up, and use only that cash during the week. It's simple! But the effect is amazing.



YOUR MONTHLY BUDGET BUILDER

Income

WORK

Item	£ per month
Take-home pay	
Income from self-employment	
Other	
Monthly Total	

BENEFITS & TAX CREDITS

Item	£ per month
Universal Credit	
Out-of-work benefits	
Illness & disability benefits	
Tax Credits	
Housing related benefits	
Other benefit income	
Monthly Total	

OTHER INCOME

Item	£ per month
Child Benefit	
Pension	
Other	
Monthly Total	

Spending



HOUSEHOLD BILLS

Item	£ per month	Piggy Bank
Mortgage		
Mortgage endowment		
Rent		
Ground rent / Service charges		
Electricity		
Gas / Oil / Calor		
Water		
Council Tax		
Maintenance / Repairs		
Other		
Monthly Total		

PHONE, TV & INTERNET

Item	£ per month	Piggy Bank
Home phone		
Mobile phone		
TV Licence		
Internet / Broadband		
Satellite / Digital TV		
Internet Subscription Services		
Monthly Total		

INSURANCE

Item	£ per month	Piggy Bank
Buildings insurance		
Contents insurance		
Other insurance		
Monthly Total		

FOOD & HOUSEKEEPING

Item	£ per month	Piggy Bank
Groceries		
Coffees / Snacks		
Toiletries		
Monthly Total		

CHILDREN

Item	£ per month	Piggy Bank
Baby items		
Childcare		
Children's clothes / shoes		
School costs		
Clubs / Activities		
Maintenance / child support		
Support for student children		
Toys / Books / Gifts		
Monthly Total		



HEALTH & BEAUTY

Item	£ per month	Piggy Bank
Hairdressing		
Health costs		
Other		
Monthly Total		

LEISURE & CLOTHING

Item	£ per month	Piggy Bank
Clothing		
Shoes		
Leisure activities		
Monthly Total		

Summary

YOUR PIGGY BANKING TOTALS

(add up all your monthly amounts in each pot)

Bills & Regular Payments Total	£
Day-to-day Spending Total	£
Savings & Big Purchases Total	£

TRANSPORT

Item	£ per month	Piggy Bank
Travel card / Season ticket		
Other public transport		
Vehicle tax		
Insurance		
Petrol / Diesel		
Servicing & MOT		
Other		
Monthly Total		

SAVINGS & INVESTMENTS

Item	£ per month	Piggy Bank
Pension savings / payments		
Regular savings		
Saving for holiday		
Other savings		
Monthly Total		

YOUR BUDGET TOTALS

(add up all your income and spending)

Total Income	£
Total Spending	£
Total Surplus / Deficit (Total Income minus Total Spending)	£

DEBTS

Item	£ per month	Piggy Bank
Secured debts		
Unsecured debts		
Rent / Mortgage arrears		
Other debts		
Monthly Total		

OTHER

Item	£ per month	Piggy Bank
Birthdays		
Gifts		
Christmas		
Pet costs		
Charity		
Monthly Total		

KEY

- Bills & Regular Payments
- Day-to-day Spending
- Savings & Big Purchases

DOING THE MATHS

- To convert a **weekly** to a monthly amount x 4.33
- To convert a **fortnightly** to a monthly amount x 2.16
- To convert a **quarterly** to a monthly amount ÷ 3

