

1. Budgeting

1.1 Managing your money is important so:



You are able to pay for where you live



You can pay your bills



You can pay for food



You can pay for transport to get out and about



You are able to save some money



You can use the money you save to pay for treats or for special occasions



You can use money you have left to go out with your friends



If you manage your money, you won't run out of money



If you manage your money you are less likely to end up in **debt**



Debt is when you borrow money because you don't have enough money left to pay for it yourself.

Your **debt** is the money you have to pay back

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1.2 About budgets and budgeting?



Budgeting is making a plan of how you will spend your money.

The **budget** is your money plan



A budget helps you to understand what money you have coming in. This is called **income**



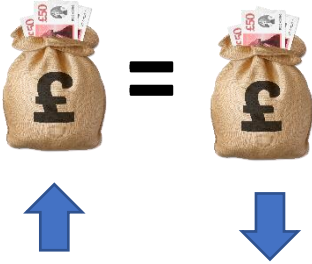
If you have a job, the money you get paid is your **income**



If you get paid benefits, this is **income** too



The money you spend is called your **expenditure**



Budgeting is about making sure that your income is the same as your expenditure



If you have money left over, it is good to save the money in case you need it in the future



It is important to make sure you do not spend more money than you have



Budgeting- making a plan, can help you think about what you are spending



This can help you think of ways to save money



You can also check that you are getting the right benefits

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1.3 Thinking about what you spend money on



It is important to make sure we don't spend more money than we have.



We need to think about what we are spending our money on



It can help to write down what you spend each day.

This can help you see where you can save money.



Here are some ideas of ways you can save money:



You could walk instead of paying for the bus



Cut down on takeaways



Watch films at home instead of going to the cinema



Shop at cheaper supermarkets



Make a packed lunch instead of buying lunch when you are out



Keep using an older phone instead of paying for a new model

