

Staying out of debt

Sam is getting into debt. He decides to write down all his income and outgoings for the past month.

What is his total expenditure?

INCOME		EXPENDITURE	
Salary – after deductions for tax, National Insurance and pension.	£1100		
		Rent	£450
		Council tax	£70
		Water rates	£15
		Fuel bills	£40
		Insurances	£35
		Phone bills – including mobile, landline, broadband	£60
		TV licence	£11
		Savings	£50
		Credit cards	£150
		Food	£200
		Laundry/cleaning	£20
		Travel to work	£15
		Entertainment	£120
		Clothes	£70
		Other	£45
TOTAL	£1100	TOTAL	£

1. What is the difference between his monthly income and his monthly expenditure? £ _____

2. How would you advise Sam to get back into credit?
