

PART 1

Self Help Debt Pack



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Information contained with the **GAIN Directory** was accurate at the date of print and is subject to change.



STEP 1

Make a list of your debts.
Emergency, Priority and Non Priority debts explained.
Write to the people you owe money to (creditors)
and let them know you are having problems.
Keep making payments if you can.



STEP 2

Complete a personal budget to work out if you have any
money left after you have made all of your essential payments.
If you have no money left contact a GAIN Agency
and do not continue with the pack.
If you have money left continue to step 3.



STEP 3

Complete your offer of payment and financial statement.
Write to your creditors again with your new offer of payment.
Start making the new payments.



STEP 4

If your creditors do not respond or do not accept
your offer please visit your nearest GAIN Advice Agency.
If your creditors accept your offer please continue
to make the agreed payments.

INTRODUCTION TO GAIN

GAIN

Glasgow's Advice and Information Network is a caring new partnership made up of various advice agencies across Glasgow.

- The money and legal advice provided by GAIN is impartial, completely confidential and best of all, absolutely free.
- Please note, others may charge you for such advice, but not us.
- We can help you to find the best solution for your current situation.
- Everything you pay will go towards reducing your debts.
- What's more, we'll do nothing without your permission.

HELP WITH DEBT

If you have more money going out than coming in, GAIN is here to help.

We understand that when circumstances change or you overstretch yourself, money worries often follow.

- GAIN has carefully prepared this Self Help Pack to help you cope with your money worries.
- The pack will assist you to -
 1. assess your debts.
 2. consider the options that are available to you.
 3. choose the most appropriate option for you.
 4. budget your money better.
- The pack is designed as an easy to follow, step by step guide.
- As you complete each step, you will be advised to continue with the pack, or if it is more appropriate to your needs, to go to your nearest GAIN Advice Agency for free, confidential professional advice.

OTHER WAYS OF USING THE SELF HELP DEBT PACK

The Self Help Pack can be used as a source of general information on what can be done and what to expect if you are in a debt situation.

If you are waiting for an appointment at a GAIN Advice Agency, the pack can help you to prepare for your appointment.

In some cases prior to your appointment you may be able to send a first letter to your creditors, using the sample letter provided in the pack.

You might find that parts of the pack are useful to you, for example the blank budget sheets or the money saving tips.

It's your choice. Please use the Self Help Pack in any way that is suitable for you.

You don't have to complete all parts of the pack.

You can visit a GAIN Advice Agency at any point or use the information and sample forms in the pack to help you before visiting an advice agency.

! You've taken the most important step by acknowledging your difficulties and by following our Self Help Pack, you will reGAIN control of your money and budget. However, there are other options available that you may be unaware of. If you are in any doubt please contact GAIN.

HOW TO CONTACT GAIN

If you have any difficulties while using the Self Help Pack or have any other queries, please contact GAIN for further support. **GAIN** can be contacted by -

TELEPHONING THE GAIN HELPLINE

CALL FREE 0808 801 1011

Please note that some mobile network providers may charge.
Monday-Friday 12PM-8PM, Saturday 10AM-2PM

LOGGING ON TO THE GAIN WEBSITE

www.gain4u.org.uk

VISITING A GAIN ADVICE AGENCY

Details of your local GAIN Advice Agency are in the **GAIN Directory** which is at the back of this Self Help Pack (page 33).

DON'T FORGET TO LOOK FOR THE GAIN LOGO.



Glasgow's Advice &
Information Network

HOW TO USE THE GAIN SELF HELP PACK



If your home is at risk of repossession, you are being evicted or are having legal problems, please go to your nearest GAIN Advice Agency as soon as possible, the Self Help Pack is NOT a suitable option for you.

The pack comes in 2 parts. If you are missing either part, please contact GAIN (see page 4 for contact details)

PART 1 - SELF HELP DEBT PACK

PART 2 - BLANK FORMS

PART 1 SELF HELP DEBT PACK

Follow the step by step guide.

Complete the forms and letters.

Sample forms and letters are provided to help you.

PART 2 BLANK FORMS

Contains copies of all the required blank forms.

TERMS USED IN THE SELF HELP PACK

To help you understand the meaning of any of the terms used in the Self Help Pack, please go to page 32.

If you have any problems using this Self Help Pack, please visit your nearest GAIN Advice Agency or phone the GAIN Helpline on 0808 801 1011

The GAIN Self Help Pack is a step by step guide to dealing with the early stages of debt and money worries.

The Self Help Pack has 5 easy to follow steps.

As you complete the steps, you will be advised to continue with the pack or if it is more appropriate, you may be advised to visit your nearest GAIN Advice Agency for further advice.

The steps are fully explained further in the pack.



A summary of the 5 steps is shown on page 6.

SUMMARY OF THE 5 STEPS

STEP 1

Make a list of all your debts.

Contact the people you owe money to (creditors) and let them know that you are having problems.

It is important to pay your creditors what you can afford in the meantime.

STEP 2

Complete a Personal Budget.

A Personal Budget calculates if you have any money left after you have made all of your essential payments.

If you have any money left, this is known as 'disposable income' and will be used to help pay off your debts.

STEP 3

If you have no disposable income, try not to worry, please visit your nearest GAIN Advice Agency for further advice.

If you do have disposable income available, the next steps are to -

- complete an Offer of Payment sheet.
- write to your creditors with your Offer of Payment.
- Start making the payments.

If your Offer of Payment is not accepted, please visit your nearest GAIN Advice Agency for further advice.

STEP 4

If your Offer of Payment is accepted, continue making the agreed payments.

STEP 5

Use our Budget Planner to help you manage your money.

**You are now ready to start the GAIN Self Help Pack.
Please go to STEP 1 on page 7.**



STEP 1

List Your Debts



It's important to fully understand how much money you owe.

In order to regain control of your money, you need to work out the total of your debt.

If you don't know the exact amount that you owe don't worry, please visit your nearest GAIN Advice Agency.

To help the advice agency staff, please try and take all the paperwork relating to your debt with you. Examples of paperwork you should have are -

- Credit agreements
- Hire purchase agreements
- Reminders
- Bank statements
- Letters from your creditors

To help you work out the total money that you owe, please complete the blank Current Debt List in Part 2.

 **A sample completed Current Debt List is provided on Page 9.**

Types of Debt

It is important that you identify the types of debt that you have.

There are 3 types of debt -

- Emergency debt (explained on page 10)
- Priority debt (explained on page 10)
- Non priority debt (explained on page 11)

Each type of debt must be dealt with differently.

This is explained further in the pack.

For now it's important to describe the 3 types of debt in detail.

Sample Current Debt List

Please leave the Priority box blank as this will be completed at a later stage.

CREDITOR	TYPE OF DEBT	TOTAL OWED	MONTHLY PAYMENT	PRIORITY YES/NO	NOTES
Mortgage Arrears			£655.00		Threat of repossession.
Rent Arrears		£555.00	£185.00		Threat of eviction.
Council Tax Arrears		£480.00	£120.00		Summary warrant.
Car Finance		£12,000.00	£275.00		2½ years left to pay.
Gas Arrears		£250.00			Threat of disconnection.
Phone Bill Arrears		£300.00			Threat of disconnection.
Electric Arrears		£400.00			First reminder.
Catalogue Co.	Catalogue	£400.00			
ABC Credit Card	Credit Card	£900.00	£20.00		
Bank	Overdraft	£200.00			
Electrical Shop	Credit agreement for TV	£400.00	£12.00		1 year agreement.
TOTAL		£15,885.00	£1,267.00		

Emergency Debt

Emergency debt has serious consequences if ignored and must be dealt with immediately.

If your home is at risk of repossession, you are being evicted or you are having legal problems, this is an emergency debt situation.

Examples of Emergency Debt situations -

- Mortgage arrears
- Rent arrears
- Council Tax arrears
- Court summons
- Wage arrestment
- Bank account arrestment
- Unpaid fines
- Threat of bankruptcy



If you think you are in an emergency debt situation, do NOT continue with this pack. Please visit your nearest GAIN Advice Agency for professional, free advice as soon as possible.

Priority Debt

Priority debt has serious consequences if ignored. You could be at risk of losing essential services to your home or your car. Examples of priority debts are -

1. Missed mortgage payments
2. Missed rent payments



Missed mortgage, council tax and rent payments may also be an emergency. If you think you are in an emergency situation, please visit a GAIN Advice Agency as soon as possible.

3. Unpaid gas and electric bills
4. Unpaid bills for household goods and services e.g. telephone
5. Missed payments on your car/van etc
6. Secured loans

If you have items on conditional sale agreements or hire purchase, you could be in danger of losing them. Please read your contracts for the full information on the terms of your agreement.

CREDIT AGREEMENTS

If you have taken out a cash loan or some other financial arrangement, then you will probably have entered into a credit agreement.

This is an agreement that allows you to pay by instalments over a period of time.

HIRE PURCHASE AND CONDITIONAL SALE AGREEMENTS

Hire Purchase and conditional sale agreements are also credit agreements. Hire purchase is a form of finance, where the borrower agrees to pay for goods on an instalment basis.

You are not the legal owner of the goods until the goods have been paid for in full.

If you are not able to make the repayments, the goods may be repossessed.

If you are in any doubt as to whether you have a credit agreement or a hire purchase agreement on any debt, please visit your nearest **GAIN Advice Agency**.

Non Priority Debt

Any other debt you have left is a non priority debt.

Please don't ignore non priority debts, as not paying them can result in legal action.

Examples of non priority debt are -

1. Catalogue debts
2. Credit cards
3. Store cards
4. Credit agreements
5. Debt to family/friends
6. Personal loans

Identifying Your Types of Debt

To help you identify the types of debt that you have, look at your completed Current Debt List.

The priority box should still be blank.

Think about your debts and then complete the priority box by writing **YES** for a priority debt and **NO** for a non priority debt.

Priority and non priority debts are explained on pages 10 and 11.

 **A sample completed Current Debt List showing the completed priority box is provided on Page 13.**

How to Deal With Priority and Non Priority Debt

To help stop your priority debt from becoming an emergency debt, you must contact your creditors and explain your situation by letter.

1. Ask them what they expect of you in order to stop any further action being taken.
2. Record the full details of your conversation (date, time, person you spoke to, any agreements made).
3. Pay your creditors what you can afford in the meantime.

By writing and explaining your current situation, it could put a temporary hold on further action.

If you need any assistance with writing letters, an advisor in any GAIN Advice Agency will be happy to help.

Remember to keep a copy of all the letters you send, as they are proof of correspondence between you and your creditors.

 **A sample letter is provided on page 14.**

Sample Current Debt List With Completed Priority Box

CREDITOR	TYPE OF DEBT	TOTAL OWED	MONTHLY PAYMENT	PRIORITY YES/NO	NOTES
Mortgage Arrears			£655.00	YES	Threat of repossession.
Rent Arrears		£555.00	£185.00	YES	Threat of eviction.
Council Tax Arrears		£480.00	£120.00	YES	Summary warrant.
Car Finance		£12,000.00	£275.00	NO	2½ years left to pay.
Gas Arrears		£250.00		YES	Threat of disconnection.
Phone Bill Arrears		£300.00		YES	Threat of disconnection.
Electric Arrears		£400.00		NO	First reminder.
Catalogue Co.	Catalogue	£400.00		NO	
ABC Credit Card	Credit Card	£900.00	£20.00	NO	
Bank	Overdraft	£200.00		NO	
Electrical Shop	Credit agreement for TV	£400.00	£12.00	NO	1 year agreement.
TOTAL		£15,885.00	£1,267.00		

YOUR ADDRESS

ADDRESS OF PERSON
YOU OWE MONEY TO

DATE

Dear Sir/Madam,

Account number _____

With reference to the above overdue account, I am writing to you to inform you that I am presently experiencing financial difficulties.

In order for me to assess my total debt situation, I would be obliged if you could provide me with the full details of my present outstanding balance and the terms of repayment.

In view of my current situation please hold any action on this account and suspend any charges or interest that may be accruing.

I intend to write to you again with a proposed offer of payment plan after I have assessed the extent of my debt and completed a personal budget plan.

May I take this opportunity to thank you in advance for your help with this difficult matter.

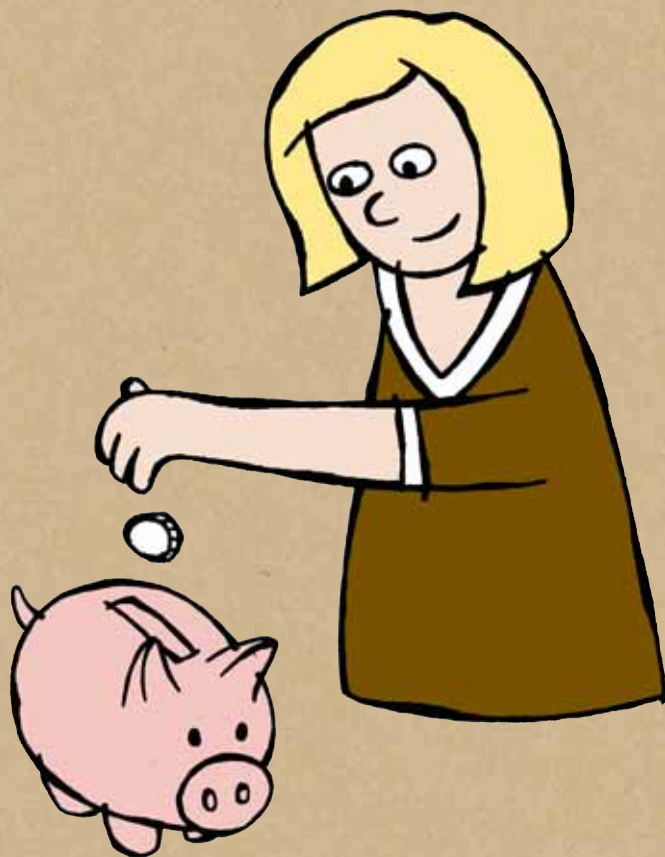
Yours faithfully

Signature

NAME

STEP 2

Your Personal Budget



The next step is for you to complete your Personal Budget.

If you think that you are not claiming all the benefits that you are entitled to, please visit your nearest GAIN Advice Agency for further advice as this could help to improve your situation.

Completing a Personal Budget is Quite Simple.

BUDGET DETAILS

1. your net income (total income you receive after paying tax and national insurance)
2. total amount of your essential expenditure (please do not include payments to your creditors)
3. total disposable income (if any)

You must complete your budget on either a weekly or monthly basis.

If you mix up weekly and monthly figures your budget will not work out!

To work out your Personal Budget, please complete the blank Personal Budget which you will find in Part 2.



A sample Personal Budget is provided on page 18.

Help on Completing your Budget Calculations

HOW TO DO YOUR BUDGET CALCULATIONS ON A MONTHLY BASIS

To calculate a one off yearly payment as a monthly payment, divide it by 12

To calculate a weekly payment as a monthly payment, multiply it by 52 and divide by 12

HOW TO DO YOUR BUDGET CALCULATIONS ON A WEEKLY BASIS

To calculate a one off yearly payment as a weekly payment, divide it by 52

To calculate a monthly payment as a weekly payment, multiply it by 12 and divide by 52

HOW TO DO YOUR BUDGET CALCULATIONS IF YOU ARE PAID 4 WEEKLY

To calculate a one off yearly payment as a 4 weekly payment, divide it by 13

To calculate a monthly payment as a 4 weekly payment, multiply it by 12 and divide by 13

WORKING OUT MONTHLY OR WEEKLY GAS AND ELECTRIC COSTS

Look back over your previous bills for the last year and calculate the average you pay per month or week.

To calculate the average per month, divide the total by 12

To calculate the average per week, divide the total by 52



Sample Personal Budget

1. ESSENTIAL EXPENDITURE	£ MONTHLY/ WEEKLY
Rent Arrears Repayments	
Mortgage	600.00
Mortgage Arrears Repayments	
Secured Loan	430.00
Secured Loan Arrears	
Board/Lodgings	
Council Tax	112.00
Council Tax Arrears	
Building/Contents Insurance	30.00
Life/Endowment Insurance	60.00
Pets/Vet Costs/Insurance	
Factoring Fees	50.00
Property Maintenance	
Gas	20.00
Gas Arrears	
Gas Maintenance	
Electricity	20.00
Electricity Arrears	
Other Fuel (e.g. Oil)	
Telephone	20.00
Telephone Arrears	
Mobile Phone	
TV Licence	10.00
TV Rentals/Satellite/Video	
Internet Payment	
Food and Housekeeping	250.00
Cleaning Materials	15.00
Toiletries	20.00
Regular Prescriptions	
Health Payment - Dental/Glasses	
Clothing	50.00
Travel Expenses	60.00
Road Tax	
Car Insurance	
Petrol/Diesel	80.00
Hire Purchase Plan (HPP)	120.00
Fines	
Student Loan Payment	
Social Fund Payment	
Maintenance/Child Support	140.00
Nursery Fees	200.00
Children Expenses/School Meals	
Children's Clubs	
Work Meals	10.00
Earnings Arrestment	
Jobsearch	
Pensions Contributions	
Other	
TOTAL	£2,297.00

2. INCOME	£ MONTHLY/ WEEKLY
Net Wages/Salary	1,350.00
Net Wages/Salary - Partner	1,100.00
Child Benefit	
Child Tax Credit	
Working Tax Credit	
Pension Credit	
State Pension	
Work Pension	
Income Based Job Seekers Allowance	
Contribution Base Job Seekers Allowance	
Income Support	
DLA - Care	
DLA - Mobility	
Attendance Allowance	
Carers Allowance	
Incapacity Contribution	
Dependent Contribution	
Maintenance	
Student Loan	
Other	
TOTAL INCOME	£2,450.00

3. Please fill in your total income and minus your essential expenditure to give you a disposable income figure.

INCOME	£2,450.00
- EXPENDITURE	£2,297.00
= DISPOSABLE INCOME	£153.00

STEP 3

Your Financial Statement



To begin this step, your Personal Budget must show that you have some disposable income available.

If you do not have any disposable income, don't panic. Please visit your nearest GAIN Advice Agency for free, confidential advice, as the Self Help Pack is **NOT** a suitable option for your situation.

The next step is for you to calculate how much disposable income to offer to each of your creditors to pay off your debts.

How to Calculate Payments for Creditors Using Disposable Income

Calculating how much to offer each of your creditors is a step by step procedure. The steps are explained in detail on the following pages.

SUMMARY OF THE STEPS

1. Calculate a pro-rata payment for each of your creditors.
2. Complete an Offer of Payment sheet.
3. Send a letter to all your creditors with your Offer of Payment and a copy of your Personal Budget. **Start making the payments.**
4. If your offers are accepted, continue making the agreed payments.
5. If your offers are not accepted or the creditors do not respond, try not to panic. Please continue to make your original payments and visit your nearest GAIN Advice Agency for professional, free advice.

PRO-RATA PAYMENTS

Pro-rata payments are worked out using a specific pro-rata calculation. It's important to calculate the payments one by one, as this will help you. A guide to pro-rata calculations is provided on page 21.

Please go to page 21.



How to Complete Pro-rata Calculations

It's important to complete your pro-rata calculations on a monthly or weekly basis, or your sums won't work!

If you completed a monthly budget, you must complete monthly pro-rata calculations.

If you completed a weekly budget, you must complete weekly pro-rata calculations.

To help you, all the figures that you need to complete your pro-rata calculations are on your Current Debt List and your Personal Budget. To work out a pro-rata payment for a creditor - write down the balance owed to the creditor and multiply it by your disposable income and then divide that by your total debt figure.

STEP BY STEP - Do this for each creditor

1. outstanding balance owed to your creditor
2. multiplied by (x) your total disposable income
3. divided by (\div) your total debt figure
4. equals (=) pro-rata payment offer



Sample pro-rata calculations are provided on page 22.

Sample Pro-rata Calculations

Example Total Disposable Income	£50.00 Monthly
Example Total Debt	£3,000

Creditor	Outstanding balance	Pro-rata Offer
ABC Ltd	£650.00	£10.83

$$\begin{array}{rcl}
 \text{ABC Ltd} & £650.00 & \text{(total outstanding balance)} \\
 & \times & \\
 & £50.00 & \text{(total disposable income monthly)} \\
 & \div & \\
 & £3,000 & \text{(total debt)} \\
 & = & \\
 & £10.83 & \text{(pro-rata offer)}
 \end{array}$$

Pro-rata calculations can also be worked out in a table which you may find easier.

Example Pro-rata Calculation Table

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
ABC Ltd	£650.00	X	£50.00	÷	£3,000	=	£10.83

The next step for you is to calculate a pro-rata payment for each of your creditors. You can complete your calculations on the blank sheets of paper or on the blank calculation tables in part 2.

Please go to page 23 once you have completed your pro-rata calculations.



Completing Your Offer of Payment

Your Offer of Payment is the final section of your financial statement.

You have already completed the first parts in your Personal Budget.

1. Essential expenditure
2. Income
3. Disposable income

To complete your Offer of Payment, you must have completed pro-rata calculations for all your creditors.

The offer of payment details -

- all your creditors
- the total balance owed to each creditor
- your total weekly or monthly offer to each creditor
- your total of payments to all creditors
- your signature

Please complete the blank Offer of Payment form in Part 2.



A sample Offer of Payment form is provided on page 24.

NAME

ADDRESS

Offer of Payment

	4. CREDITOR	OUTSTANDING BALANCE	TOTAL WEEKLY/MONTHLY OFFER
1	ABC Ltd	650.00	10.83
2	Creditor 2	1175.00	19.58
3	Creditor 3	1175.00	19.58
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
TOTAL DEBT		£3,000.00	
TOTAL WEEKLY/MONTHLY PAYMENTS TO ALL CREDITORS (TOTAL DISPOSABLE INCOME)			£50.00

To the best of my knowledge this statement is an accurate record of my/our financial position

SIGNED: _____

SIGNED: _____

DATE: _____

Sending Your Offer Letter

By now you will have completed your Personal Budget sheet and your Offer of Payment form.

The next step is for you to write to your creditors again.

The letter must detail your proposed offer and enclose a copy of your Personal Budget and a copy of your Offer of Payment.

You have the addresses and account information of your creditors from the copies of your first letter.

If you need any help writing your letters, please visit your nearest GAIN advice agency, where an adviser will be happy to help.

WRITING THE LETTER

Remember to keep a copy of all the letters as they are proof of the correspondence between you and your creditors.

It's important to enclose a copy of your Personal Budget sheet and Offer of Payment with each letter.

Enclosing details of your other creditors and offers in your financial statement, proves to all your creditors that your offers are fair and equitable.



A sample letter is provided on page 26.

YOUR ADDRESS

ADDRESS OF PERSON
YOU OWE MONEY TO

DATE

Dear Sir/Madam,

Account number _____

With reference to the above account I am writing to inform you that as advised in my previous letter to you dated_____, I am enclosing a copy of my Personal Budget and Offer of Payment.

As shown on the Offer of Payment it is my intention to offer £ ____ per week/month as a reasonable payment towards the outstanding balance of my account.

I hope that my offer of payment is an acceptable one. Due to the current situation, is it possible to have a stop put on any interest/accruing administration charges on my account to help me settle the outstanding balance as soon as possible?

In the event of a change of circumstances, I will contact you as a matter of importance.

May I take this opportunity to thank you in advance for your help with this difficult matter.

I look forward to your reply.

Yours faithfully

Signature

NAME

STEP 4

Making Payments



You have almost completed the GAIN Self Help Pack.

Now you need to wait for an answer from your creditors as to whether they will be accepting or rejecting your offer.

IF YOUR PRO-RATA OFFER IS ACCEPTED

Continue making the agreed payments. Remember to keep a copy of all the letters you send.

IF YOUR PRO-RATA OFFER IS NOT ACCEPTED

Please continue to make your original payments and visit your nearest GAIN Advice Agency as soon as possible for free, confidential, professional advice.

 **If you miss a payment please contact your creditor straight away.**

Manage Your Money

It's very important that you remain in control of your money and are able to keep making all your payments on time.

Well Done!

You have successfully managed to complete this pack and reGAINED control of your money and budgeting problems.

For help with everyday budgeting and money saving advice please go to page 29.



Everyday Budgeting Advice

Budget on a weekly or a monthly basis, as this will depend on when you receive your income.

If you receive your income weekly, budget on a weekly basis.

If you receive your income monthly, budget on a monthly basis.



A blank Budget Sheet is provided in Part 2.



A sample budget is provided on page 31.

As you become more confident with your budgeting, it will become easier.

The benefit of budgeting is that you will know every month or week how much money you have to spend after all your essential payments.

BUDGETING IDEA!

If you have direct debits it's a good idea to open a bank account just to use for your direct debits.

Every month or week pay in the total amount you need to cover your direct debits and you won't need to worry about missed payments or bank charges.

Remember missed payments can result in charges to your account and or a bank charge.

SAVINGS

If you can manage, try and save some money for any unexpected expenses or simply just to treat yourself to something with your savings!

MONEY SAVING ADVICE

Shop around for the cheapest deals you can find on -

- gas/electric
- mortgages
- insurance (car, house, life, buildings, pet, travel etc)
- credit cards
- bank loans
- finance (cars, household goods)
- telephone and internet
- mobile phones, pay as you talk and contracts

 **see the GAIN website (www.gain4u.org.uk) for links to money advice web sites.**

Spread the cost of necessary expenses where possible -

- direct debits
- savings stamps
- interest free deals
- payment cards (used to make payments towards bills - helps to reduce high bills)

SHOPPING TIPS

- look for bargains (buy one get one free, special offers etc).
- price check with other stores as much as you can.
- avoid store cards as the interest is very high.
- don't go to the supermarket if you're feeling hungry as you'll buy more!!
- make a shopping list and try to only buy what you need.

Sample Budgeting Sheet

EXPENDITURE	£ MONTHLY/ WEEKLY
Rent	180.00
Mortgage	
Secured Loan	
Board/Lodgings	
Council Tax	110.00
Building/Contents Insurance	28.00
Life/Endowment Insurance	
Pets/Vet costs/Insurance	
Factoring Fees	
Property Maintenance	
Gas	20.00
Gas Maintenance	
Electricity	20.00
Other Fuel (e.g. oil)	
Telephone	20.00
Mobile Phone	20.00
TV Licence	
TV rentals/Satellite/Video	
Internet Payment	
Food and Housekeeping	160.00
Cleaning Materials	5.00
Toiletries	10.00
Regular Prescriptions	
Health Payment - Dental/Glasses	
Travel Expenses	10.00
Road Tax	
Car Insurance	
Petrol/Diesel	
Hire Purchase Plan (HPP)	
Student Loan Payment	
Maintenance/ Child Support	
Nursery Fees	
Children Expenses/ School Meals	
Children's Clubs	
Work Meals	
Pensions Contributions	
Bank Loan	100.00
Other	
Payments to Creditors	50.00
TOTAL	£733.00

INCOME	£ MONTHLY/ WEEKLY
Wages	800.00
TOTAL	£800.00

INCOME	£800.00
– EXPENDITURE	£733.00
= MONEY LEFT TO SPEND	£67.00

TERMS USED IN THIS PACK

CREDITOR	a person or company that you owe money to
DEBTOR	the person owing the money (you)
DISPOSABLE INCOME	any money left over after all your essential expenditure has been paid
FINANCIAL STATEMENT	a list of your income, expenditure and money you owe
HIRE PURCHASE AND CONDITIONAL SALE AGREEMENTS	a form of finance where the borrower agrees to pay for goods on an instalment basis, the legal ownership of which passes to the borrower only when the goods have been paid for
PERSONAL BUDGET	a list of your income and expenditure which shows if you have disposable income
PRO-RATA	a system of calculating your repayments according to how much money is owed to each creditor and how much disposable income you have
CREDIT AGREEMENT	a legal contract in which a finance company arranges to loan a customer a certain amount of money over a period of time. The credit agreement outlines all the rules and regulations associated with the contract. This includes the interest that must be paid on the loan
NET INCOME	total income you receive after paying any tax or national insurance

WEB: www.gain4u.org.uk

PHONE: 0808 801 1011

This information is available in alternative formats
and can be translated into other languages.

For assistance please phone **0141 287 9961**

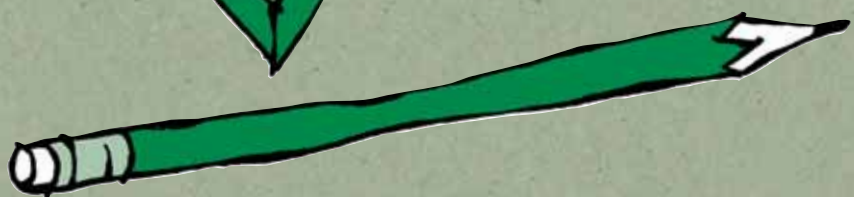
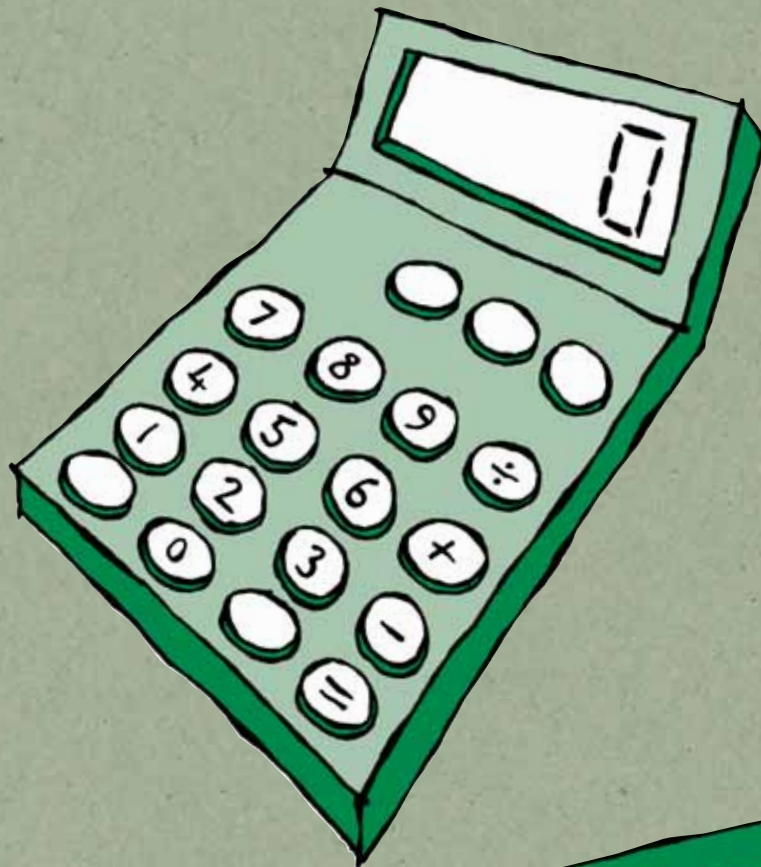
7 September 2009



Glasgow's Advice &
Information Network

PART 2

Blank Forms



Current Debt List

If you need any help please visit your nearest GAIN Advice Agency for FREE professional confidential advice



CREDITOR	TYPE OF DEBT	TOTAL OWED	MONTHLY PAYMENT	PRIORITY YES/NO	NOTES
TOTAL		£	£		

Personal Budget

NAME
ADDRESS



Glasgow's Advice & Information Network

1. ESSENTIAL EXPENDITURE	£ MONTHLY/WEEKLY
Rent	
Rent Arrears	
Mortgage	
Mortgage Arrears	
Secured Loan	
Secured Loan Arrears	
Board/Lodgings	
Council Tax	
Council Tax Arrears	
Building/Contents Insurance	
Life/Endowment Insurance	
Pets/Vet Costs/Insurance	
Factoring Fees	
Property Maintenance	
Gas	
Gas Arrears	
Gas Maintenance	
Electricity	
Electricity Arrears	
Other Fuel (e.g. Oil)	
Telephone	
Telephone Arrears	
Mobile Phone	
TV Licence	
TV rentals/Satellite/Video	
Internet Payment	
Food and Housekeeping	
Cleaning Materials	
Toiletries	
Regular Prescriptions	
Health Payment - Dental/Glasses	
Travel Expenses	
Road Tax	
Car Insurance	
Petrol/Diesel	
Hire Purchase Plan (HPP)	
Fines	
Student Loan Payment	
Social Fund Payment	
Maintenance/Child Support	
Nursery Fees	
Children Expenses/School Meals	
Children's Clubs	
Work Meals	
Earnings Arrestment	
Jobsearch	
Pensions Contributions	
Other	
TOTAL EXPENDITURE	

2. INCOME	£ MONTHLY/WEEKLY
Net Wages/Salary	
Net Wages/Salary - Partner	
Child Benefit	
Child Tax Credit	
Working Tax Credit	
Pension Credit	
State Pension	
Work Pension	
Income Based Job Seekers Allowance	
Contribution Base Job Seekers Allowance	
Income Support	
DLA - Care	
DLA - Mobility	
Attendance Allowance	
Carers Allowance	
Incapacity Contribution	
Dependent Contribution	
Maintenance	
Student Loan	
Other	
TOTAL INCOME	

3. Please fill in your total income and minus your essential expenditure to give you a disposable income figure.

INCOME	
- EXPENDITURE	
= DISPOSABLE INCOME	

If you do not have an amount of disposable income please visit your nearest GAIN Advice Agency for free professional advice

If you do have an amount of disposable income please go to page 20



Blank Sheet for Pro-rata Calculations



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Pro-rata Calculation Tables



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Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Pro-rata Calculation Tables



Glasgow's Advice & Information Network

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Creditor	Outstanding Balance		Disposable Income		Total Debt		Offer
		X		÷		=	

Offer of Payment



Glasgow's Advice &
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NAME
ADDRESS

	4. CREDITOR	OUTSTANDING BALANCE	TOTAL WEEKLY/MONTHLY OFFER
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
TOTAL OUTSTANDING BALANCE			
TOTAL WEEKLY/MONTHLY PAYMENTS TO ALL CREDITORS (TOTAL DISPOSABLE INCOME)			

To the best of my knowledge this statement is an accurate record of my/our financial position

SIGNED: _____

SIGNED: _____

DATE: _____

Budgeting Sheet



Glasgow's Advice & Information Network

[illegible]

INCOME	£ MONTHLY/WEEKLY
TOTAL INCOME	

INCOME	
– EXPENDITURE	
= MONEY LEFT TO SPEND	