

# Understanding your finances

## Budget planner

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We believe that knowing what money is coming in and going out every month is really beneficial. It gives you greater control over your finances and helps you feel more secure. This peace of mind may mean that you see improvements to your health and wellbeing – perhaps through a better social life or by eating more healthily.

Your retirement should be the time when you have the freedom to do all the things you previously never had time for. And retirement means different things to different people. It could be a chance to relax and spend more time with family and friends, or to take the holiday of a lifetime or even to allow you time to pursue a hobby.

Of course, just because you stop earning doesn't mean that life stops being expensive – even routine bills add up. So you may find that you're facing the challenge of trying to make your income stretch simply to cover your living expenses.

By using the budget planner and understanding your financial situation, you can use the information to make informed decisions about how to spend your money in retirement. Then you can decide whether you want, or need, to make any changes to your income or spending so that you don't run out of money.



# Budget planner

## Your household income

Your retirement income may come from numerous sources, including a pension annuity that you could be planning. Write down the net (amount after tax) weekly or monthly income (which ever suits you best) that you expect to receive from all sources in your retirement in the table below.

Income (after tax)	You		Your partner		Joint (if applicable)	
	Weekly	Monthly	Weekly	Monthly	Weekly	Monthly
Earned income	£		£		£	
Pension (State)	£		£		£	
Pension (other)	£		£		£	
Investment income	£		£		£	
Investment withdrawals	£		£		£	
Nursing care contribution	£		£		£	
Rental income	£		£		£	
Other	£		£		£	
State benefits (other than State pension)	£		£		£	
<b>Total</b>	<b>£</b>		<b>£</b>		<b>£</b>	

Details of benefits received due to disability	You		Your partner	
	Weekly	Monthly	Weekly	Monthly
Disability Living Allowance Care amount	£		£	
Disability Living Allowance Mobility amount	£		£	
Attendance Allowance amount	£		£	
<b>Total</b>	<b>£</b>		<b>£</b>	

Details of means tested benefits	You		Your partner	
	Weekly	Monthly	Weekly	Monthly
Guaranteed Pension Credit (GPC) amount	£		£	
Savings Pension Credit (SPC) amount	£		£	
Council Tax Reduction (CTR) amount	£		£	
What is your full council tax bill? (Remember to alter for single occupancy)	£		£	
Are you in receipt of other benefits? (If yes, please provide details)				
<b>Total</b>	<b>£</b>		<b>£</b>	

Other benefit name:	Other benefit amount:	Frequency (please tick)	
		Weekly	Monthly
<b>Total</b>			

### Total income

Add up all of your income (on page 2) to calculate your total income. Remember to make sure the frequencies are all the same (eg. monthly).

### Total weekly/monthly ①

£

### Your expenditure

Please enter the amounts you pay out on the table below. Don't forget the one-off expenses that you might have each year (eg. insurance premiums).

Expenditure	Weekly	Monthly	Total
Mortgage			£
Rent / service charge / ground rent			£
Credit cards			£
Loans / hire purchase agreements			£
Council tax (inc benefits)			£
Water rates			£
Electricity / gas / other heating costs			£
Telephone / mobile telephone / internet			£
Household (food and toiletries)			£
Television (Sky TV etc)			£
Furniture / repairs and maintenance			£
Clothing / footwear			£
Children / grandchildren			£
Travel costs (car fuel / bus / taxi)			£
House insurance			£
Other insurances (eg. pet / life / pension / health)			£
Leisure / recreation / holidays			£
Other (eg. smoking / socialising)			£
<b>Total ②</b>			<b>£</b>

Future expenditure / need	Amount	Timescale
Higher income required	£	
Home improvements (eg. conservatory)	£	
Home maintenance (eg. new boiler)	£	
Leisure (eg. holidays)	£	
Supporting your family (eg. house deposit)	£	
Health (eg. residential care / hip replacement)	£	
Capital expenditure (eg. new car)	£	
Will / Power of Attorney	£	
Other - please specify	£	
<b>Total ③</b>	<b>£</b>	

### Your monthly or weekly balance

Using the total figures on page three you can now calculate your weekly or monthly balance. Remember to make sure the frequencies are all the same (eg. monthly).

**Total income ①:**

£

**Total expenditure ②:**

£

**Total surplus/shortfall:**

£

When thinking about the future, you've identified areas that may be expensive and require use of your savings or investments. It's important to have an idea of what these costs may be so that you can plan ahead.

**Total future needs ③:**

£

**Identified a shortfall? Turn over to find out how we might be able to help >**

## Identified a shortfall?

You may have identified a need to supplement your savings - whether that's to have a better retirement, or simply to live a little more comfortably. The Age UK website has a number of guides and calculators that can help you with everything from benefits and entitlements to investing, saving and debt management. For more information visit [www.ageuk.org.uk/money-matters](http://www.ageuk.org.uk/money-matters)

If you're a homeowner aged 55 or over, equity release could be a good solution for you - allowing you to free up some of the value of your home. You can release this value as a tax-free lump sum to spend on almost anything you like.

You can remain in the home you love and, although the value of your estate will go down, you can choose to leave behind a legacy for your loved ones.

We understand that deciding whether equity release is right for you is a big decision. Your home is likely to be your biggest asset so you will want to make sure you have received the best possible advice. That's why Age UK have selected specialist equity release advisers, Just Retirement Solutions Limited, to provide the Age UK Equity Release Advice Service. Since 2010 they have helped Age UK customers release over £70million to help them get the retirement that they deserve by unlocking some of the value of their home.

## Age UK Equity Release Advice Service

The Age UK Equity Release Advice Service carries no-obligation and includes a free state benefits check. However, if you decide to take out a plan, there will be a fee of £675 for advice and arranging the equity release plan Just Retirement Solutions recommends. If you'd like to get an idea of how much equity you could release from your home, use the equity release calculator today.

Visit: [www.ageuk.co.uk/equity-release/calculator](http://www.ageuk.co.uk/equity-release/calculator)

Call: **03332 207 766†**

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† The call centre opening hours are 9am to 5pm, Monday to Friday, excluding bank holidays. Calls may be monitored and recorded for training purposes. Calls to 03 numbers cost no more than a national rate call to 01 or 02 numbers.

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