



Dealing with Debt



MAKE A LIST OF EVERYTHING YOU OWE

You need to know exactly what you owe, whom you owe it to, and what the terms of your arrangement are.

The people you owe money to are known as your **creditors**.

If you owe money, you are known as a **debtor**.

PRIORITISE YOUR DEBTS IN ORDER OF IMPORTANCE



There are two types of debts: priority and non-priority debts.

Priority debts need to be **paid first**. These include mortgage payments, bills, court fines, taxes.

Not settling priority debts can have serious consequences, such as losing your home.

Non-priority debts include overdrafts, bank loans, doorstep loans, money from friends and family.



MAKE A PERSONAL BUDGET



Work out a weekly or monthly budget to see what your income and expenses are, it can also show you where you can save money.

A budget will help you decide what you can reasonably afford to repay your creditors, so it's important to be realistic.

Use **MoneyForce's Budget Planner** to take control of your finances and spend your money wisely.



BUDGET PLANNER

The key to getting MoneyFit is doing a budget. A budget is the first step to taking control of your money and your life.

GET EXPERT ADVICE

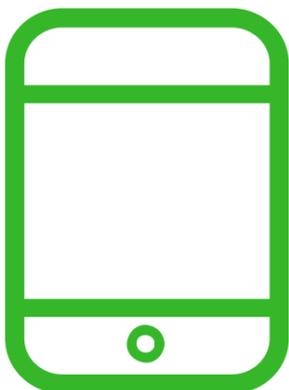
Organisations offering **free debt advice** can help you prioritise your debts and help you negotiate with your creditors.

They can help you decide which options may be suitable for you: Bankruptcy, Individual Voluntary arrangement, Debt Management Plan, Administration order, Debt Relief Order.

These options take into account your debts, income, and capacity to repay your debts.



TALK TO YOUR CREDITORS



Talk to your creditors about your situation and what you're going to do about it.

A debt adviser can do this for you, and some will do this for free.

Be realistic about what you can afford to repay and don't assume you'll be able to pay back more in the future.

Follow up a phone call with a letter confirming what has been agreed.