**Task 2 Worksheet**

**Name:**

Here you can leave OUT the cost of renting. The only things in your budget are the following **as you are still living at home with your parents**. You certainly can add others if they are relevant to you.

Some of this will be conjecture but asking parents could be a good source of information.

1. What type, make and model car do you want? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. How much do you want to spend on a car? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

3. What will be the repayments on your car? \_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (go to a bank website and do a loan calculation – See the Resources Page)

*Figures for items 4 – 12 can be put into your BUDGET Spreadsheet*

4. What are your running costs? These will include types, servicing, petrol, road side assistance, insurance.

• Tyres are needed every 60,000 km, approximately 3 years. Find the cost of 4 types, divide by 3 and then divide by 52 to get weekly cost.

• Servicing twice per year. *Find cost of a service on a car and divide by 52 for weekly allowance in your budget.*

• Petrol will be dependent on your car. 4 cylinder approximately 10km/L and on average of 20,000km per year would be about 400km per week. Check the price of petrol and use a high value as this will give your budget some reality.

 A 6 cylinder car will get 8 km/L and an 8 cylinder get 7 km/L.

Diesel car will get different values.

 Be clever and ask your father/mother or another adult for the petrol/diesel consumption of your family car and use these figures.

• Road side assistance will vary in each state so ask parents or go onto the internet. Use a weekly figure.

• Car insurance can be Comprehensive or Third Party. Find out what each of these is (complete the page of notes and terms) and the cost.

• Car registration

5. Food costs per week. Here ask your parents how much they spend on the family weekly shopping. If it varies then average it over a month and divide the weekly amount by the number of people in your family. Don’t worry that you have a younger brother and he doesn’t eat as much as you because we cannot be entirely accurate and a budget is only a guide.

6. Clothing costs. Be generous here as most people will underestimate what they actually spend. Males in particular will think that they spend less than they do. Female just have to be honest.

7. Mobile phone costs. *Divide your monthly bill by 4 to get weekly cost.*

8. Entertainment costs. While you may be too young to party or go to a pub or club, ask around amongst your older siblings what they spend over a week on alcohol, movies, coffee, nights out, trips away, fishing etc. This needs to be an approximate weekly figure.

9. How much do you save out of your income presently as a percentage? Savings can be what is left over or it can be a designated percentage of your wage set aside each week for future expenditure, such as a car, furniture, TV, house etc.

 Banks will want to see a savings schedule over many years if and when you apply for a loan to buy a house. You cannot do this for the banks over a few months so budgeting to save is important.

10. Holidays. You need holidays so plan what and where you want to go. For instance is you want a 2 week holidays in New Zealand or Queensland, then plan out a fantastic holiday and then work out a cost, including airfares, accommodation, car hire, spending money and then add 20% to what you think. Then divide this amount by 52, this giving you a weekly figure to put into your budget.

11. World Vision. Are you going to help someone else that needs help, such as an orphan. World Vision is mentioned as many people what they do, but there are many other organisations that do similar work. Find out the cost of supporting an orphan and work it into your budget, if you want to.

 Red Cross Appeal, Bush fire appeals are also worthy causes that need our support. Find an amount that you can include in your budget so you can be generous. Even $10 per week will mean that you can give away $500 per year and be generous to others.

12. Are you doing study with your job? What are the costs of the course and textbooks? These are to be generalised over the whole course and then brought down to a weekly cost.

Some things that are in your budget will not continue forever or even for a long time, but they need to be there initially so that you can decide how much you have to live on initially and get those savings happening so in the future you approach the bank.