

## Debt Management Part One: Manage Your Money

This series of short articles offers some guidelines regarding debt management. First we will look at ways of borrowing money and managing your lifestyle without getting into debt that you cannot afford to repay. We will then look at some simple ways in which you can control what you spend by developing and sticking to a budget. For people who are already dealing with problematic debt we will look at some simple debt management strategies that will help you cope. We will also talk about debt prioritisation and the various ways that you can get yourself out of debt completely, including some information and advice regarding [debt consolidation](#).

In Part one we will look at managing your money: The bills keep coming through the letter box and falling onto the doormat. There are electricity and gas bills, council tax bills and telephone bills. There is home insurance, contents insurance and pet insurance. There is the mortgage or the rent that must be paid and all those incidental expenses that always seem to add up to so much money on our credit card bills. Of course as long as our income can pay all these bill and hopefully leave a little over that we can save for the future, there is really no problem. We should of course endeavour to put away that little bit that is left over for our old age or a rainy day.

Everything may be ticking away happily when a crisis occurs. Perhaps we lose our job or need money for a family emergency. Suddenly paying our bills becomes difficult. This is when we will seriously need some debt management. In these circumstances the first thing we must do is produce a budget showing our income and outgoings. We will need to set priorities and look where we can cut costs. We should investigate ways of reducing our expenditure; perhaps cut out some of our luxuries and shop in cheaper retail outlets. Perhaps we can cut down on our savings, but we must continue to make essential payments such as our rent or our mortgage.

What we must not do is let those unpaid bills pile up on the doormat. If this is beginning to happen we need to take some urgent action. In subsequent instalments we will look at some options that are open to us.

### About the Author

Predicting the future is obviously not possible, however, planning for the future to [improve debt management](#) is. It does make sense to be careful with spending and ensure regular savings. It is best to have an aim of continuously reducing debt rather than being [debt free](#) in short term.

Source: <http://articles-collections.com>