**Rough guide to your life activity (text only version)**

**What kind of life do you want? Build up a plan for your future! Here are some suggestions of things you might consider doing in your life, all of which will have financial implications. As you read through the list, think about the age you are likely to be when you make this choice:**

**•    0-18**
**•    19-25**
**•    26-40**
**•    41-60**
**•    60+**

**Life choices**
•    Leave parents' home
You will have regular outgoings like council tax, contents insurance, rent, electricity, water, gas, TV licence and of course your own shopping bills.
•    Live with a partner
It sounds like all your costs can be cut in half, but you are likely to want to live in your own place, and you will need to cover costs for a place to live, bills and other expenses.
•    Get married
Even a simple ceremony has costs attached. Essential costs will be the wedding fees (£43.50 at a Register Office or £50.50 in a religious building with a registrar). Other costs might include a wedding dress, bridesmaids' dresses and outfits for the groom and best man, the reception and honeymoon, hiring a professional photographer and a car, buying wedding rings, and a cake, as well as the cost of hiring a church or venue.
Celebrations like these can cost thousands of pounds.
•    Learn to drive
You'll need a course of lessons and there's the cost of the theory and practical test. In 2010 you would expect to pay around £25 for a lesson and you need to work out how many lessons you'll need to pass. Researchers have found it takes on average 45 lessons to pass (source AA).
•    Buy a car
As well as the cost of the car itself you will have to pay for road tax, car insurance, servicing and fuel. Check out the cost of fuel in your area.
•    Holidays
A holiday doesn't have to be expensive - obviously you have a choice about where to go and how much you can afford. As well as the cost of travel and accommodation, you might want to think about clothes, spending money, excursions and holiday insurance. The average amount currently spent on trips abroad comes close to £1,650 per person per year
(source: research carried out by Abbey in 2008 - as reported on www.money.co.uk).
•    Have a baby
You start by buying all the things a baby needs and will have to think about paying for childcare if you both want to continue to work. Otherwise think of the cost attached to reducing to one salary. There will be ongoing costs of clothing and food and remember you will be supporting your children into adulthood. Parents in Britain can spend over £9,000 a year raising a child.
(source Guardian 23/02/2010 - reporting research carried out by UK's largest friendly society, LV=)
•    Retiring
If you have paid enough National Insurance contributions you will qualify for some basic State Pension, and you may have made additional provision through a company pension and made savings throughout your life.
Even though you might expect your outgoings to be lower - you won't have childcare costs for example - you will still have bills to pay and you'll want to make the most of your retirement. According to research carried out by the Joseph Rowntree Foundation in 2008, a pensioner couple needed £201 every week to live on - and that assumed that they were no longer liable for any housing costs.
•    Buy a house
You will need a deposit of 5 - 40% of the cost of the property to get a mortgage, and then there are legal costs, survey costs, stamp duty and insurance to consider. You might also have to add moving costs and for first-time buyers, buying furniture.

**Career choices**
•    Further education
Once you've found the right course and the best place to study, it's worth working out how much it's going to cost and how you are going to pay for it. Find out all you can before you go. Remember that after you graduate, your chances of earning a decent salary in a job that you like are good. You will have to begin repaying your loan once you earn £15,000 per annum.
•    Become an apprentice
You will be learning valuable skills to practise your trade. Apprenticeships typically take between one and four years to complete, depending on the type of framework. Your earnings as an apprentice will be low, but once you are qualified you can expect to earn a good wage.There is no set rate of pay for apprentices, however all employed apprentices must receive a wage of no less than £95 per week.
•    Work experience
This is a great way to build up skills and experience in the workplace. It may give you an idea of the type of work you want to do. Or maybe you want to do voluntary work as a way of putting something back in your community.
•    Part-time work/ freelance
Many people take this option to adjust their work/life balance. Of course part-timers don't earn as much as their full-time colleagues, but they still have the same rights and entitlement to holiday and sickness pay for example. Going freelance gives you the freedom to be your own boss but you give up the security of a guaranteed regular wage and other benefits of working for an employer. You will be responsible for submitting your tax returns accurately and on time.
•    Start a business
Get all the advice you can. Good planning is the key to a successful new business. It's worth talking to the bank about your business plan and find out if your business is eligible for any start-up grants.
•    Change job/ change career
As your goals change you may decide you want something different at work. You may want to upgrade your skills, move to a different part of the country, learn something new or go for promotion. There are many reasons why a career change might be a good idea - it's worth taking some time to work out what it is that you can offer, how much you want to earn and how best to achieve your goal.

**Financial choices**
•    Savings
Get into the habit of saving money as soon as you can. Work out what you are saving for e.g. emergencies, education, car, retirement, and then look for the best place to put your money. You have lots of options to choose from e.g. savings accounts, ISAs and bonds.
•    Investments
There are many types of investments available, from stocks and shares to bonds or buying property. They offer the potential for the customer to make more money but they carry more risk and the return isn't great.
•    Mortgage
Taking on a mortgage and buying your own house is a long-term commitment to making regular repayments on the loan. It's essential to check out all the options and interest rates that are on offer. There are generally offers for first time buyers. You will also need to have saved a deposit and then decide whether to choose a fixed or flexi-rate mortgage.
•    Contents insurance
This gives protection to anything that's not a fixed part of your home, such as appliances like washing machines and dishwashers, electronic goods like televisions and computers, and also furniture and clothing. Contents insurance offers protection for events like burglary, fire and the consequences of serious storms and flooding.
•    Travel insurance
If you're going on holiday you'll want to consider taking out travel insurance. This will give you protection if you have an accident or become ill whilst you are abroad. It can also cover loss of luggage or other personal belongings such as passports and money, repatriation costs and cancelled or delayed flights.
•    Life insurance
Life insurance will pay out a sum of money if the policy holder dies. This can support your surviving family by paying for things that you had been responsible for, for example the rent or mortgage and paying for things that the family needs. There are several types of life assurance and it's worth taking advice on the best option for your circumstances.
•    Pension
It's a good idea to consider a pension as soon as you can so that you can help fund for your retirement. You may be able to join a company scheme which would give you additional payments to the State Pension.
In 2010 the maximum basic State pension was £97.65 for a single person and £156.15 for a married couple. There are additional pensions and benefits that some people can apply for to bring their income up to the minimum: £132.60 a week for a single person or £202.40 a week for two people living together.
•    Loans
There are times when taking out a loan can enable us to achieve our goals. Always make sure that you have enough income to repay the loan. Check that you are aware of the interest rate and how much your loan will actually cost. Understand the consequences of not repaying. Here's a typical example to give you an idea: for a loan of £5,000 with an APR of 7%, your monthly repayment over a 60-months period would be £99.01 Total amount repayable: £5,940.36
•    Help children with finances
Make the most of children's savings accounts. Children, like adults, have a personal tax allowance (£7,475 for the tax year 2011-12 and then £8,105 from April 2012). There are other savings products that are tax-free - for example children savings account and Children's Bonus Bonds from National Savings and Investments. There are also many savings schemes on the market that will help you to put aside money to pay for the things that your children need , such as ISAs, Premium Bonds and Index-Linked Savings Certificates for those aged 16 or older.

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