

Financial Overview: July 2024

This financial analysis offers a detailed insight into account balances, monthly expenses, income, and debt repayment plans, projecting the financial status for the next 12 months.

Account Balances

As of July 2024, here's a summary of the account balances:

- Personal Starling Account: £5,522.12
- Business Starling Account: £0.00
- Main Starling Account: £179.19
- Euro Starling Account: €0.00
- US Dollar Starling Account: \$0.00
- HSBC Personal Bank Account: £8,446.87
- HSBC Personal GIC GIA Uninvested Cash Account: £0.00
- HSBC Personal Loan: -£28,025.90
- HSBC Personal INVDIRECT: £0.00
- HSBC Personal GIC Investments: £0.00
- HSBC Business C/A: £894.50
- HSBC Commercial Card: £0.00

Monthly Expenses

Tracking monthly expenses is crucial to ensure financial stability. Here are the major monthly expenses:

Business

- Studio: £1,000
- Corporate Tax: £1,000 (Ends in 12 months, new term restarts in January)
- Mashups: £500

Personal

- Nursery: £1,500
- Rent (Home): £1,500
- Self Tax: £1,500 (Ends in August, restarts in January)
- HSBC Debt Payment: £800
- Utilities: £500
- Food: £500
- Additional Expenses: £250 (Travel) + £250 (Insurance)

Income

Income sources vary, and new side contracts can add around £80,000 per year.

- Weekdays Work: £6,000 (taxed into personal account)
- Weekends Work: £1,000 (not taxed into business account)
- Partner's Weekdays Work: £500 (taxed into personal account)

Financial Summary

Combining account balances and monthly expenses provides a comprehensive picture of financial health:

- Total Balance (GBP): £14,867.68
- Total Balance (EUR): €0.00
- Total Balance (USD): \$0.00
- Total Monthly Expenses (GBP): £9,300
- Remaining Balance After Expenses (GBP): £5,567.68

Debt Repayment Plan

A significant financial commitment is the HSBC debt:

- HSBC Personal Loan Debt: £28,025.90 (34 more months from July 2024)
- Monthly Payment: £800
- Months to Pay off HSBC Debt: Approximately 35 months

Debt Repayment Strategy

A £35,000 obligation in January 2025 will be bundled into monthly tax payments of £1,000 from business and £1,500 from personal.

Milestones

Key upcoming milestones include:

- 8.2024: Mira Citizenship Result
- 9.2024: Ece ILR Application
- 10.2024: Erdem Citizenship Result
- 12.2024: Ece ILR Result

These milestones are expected to positively impact job stability and freedom of movement for the family.

Emergency Funds

Dave Ramsey baby step plan modified for business

- Business Level 1: £1,000
- Personal Level 1: £1,000
- Level 3 Business (6 months combined expenses): £48,000

Savings Goals

Implementing Ramsey's baby steps formula and building emergency funds after paying off debt is a primary goal.

Upcoming Financial Obligations

An upcoming significant financial obligation is the £35,000 debt due in January 2025 for the 2023-2024 taxes.

Forecast for the Next 12 Months

Income Projections

Assuming the income from new contracts and existing work remains stable, the projected annual income is around £80,000 + £78,000 (current income) = £158,000.

Expense Projections

Monthly expenses remain constant at £9,300, leading to an annual expense of £111,600.

Debt Reduction

With consistent payments of £800 monthly, the HSBC debt will reduce by £9,600 over the next 12 months.

Account Balances

With a monthly saving of remaining balance after expenses (£5,567.68), the projected total savings for the next 12 months would be £66,812.16, excluding income growth and additional expenses.

Conclusion

Managing finances with a strategic approach towards income, expenses, and debt repayments will help in achieving financial stability. Regular monitoring and adjustments based on actual financial performance are essential for future financial health.

It is not possible to survive in the west as a single breadwinner even at good rates.

As an immigrant, there is a zero-sum game.

Spreadsheet Summary

Category	Amount
Total Balance (GBP)	£14,867.68
Total Balance (EUR)	€0.00
Total Balance (USD)	\$0.00
Total Monthly Expenses (GBP)	£9,300
Remaining Balance After Expenses (GBP)	£5,567.68
Projected Annual Income	£158,000
Projected Annual Expense	£111,600
HSBC Debt Reduction (12 months)	£9,600
Projected Total Savings (12	