

Debt Elimination Plan Example

Total Debt = R20,500

Allocated for monthly debt payments = R1500

**Total months to annihilate debt:
+ - 14 months + 1 month for interest**

Month	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7
	<p>Month 1 R1500 allocated for monthly debt payments</p> <p>1 R10 000 MINIMUM PAYMENT R500</p> <p>2 R6000 MINIMUM PAYMENT R300</p> <p>3 R3000 MINIMUM PAYMENT R150</p> <p>4 R1000 MINIMUM PAYMENT R50</p> <p>5 R500 MINIMUM PAYMENT R25 + SURPLUS CASH R475 = R500</p> <p>Target no 5 with surplus cash</p>	<p>Month 2 R1500 allocated for monthly debt payments</p> <p>1 R9500 MINIMUM PAYMENT R500</p> <p>2 R5700 MINIMUM PAYMENT R300</p> <p>3 R2850 MINIMUM PAYMENT R150</p> <p>4 R950 MINIMUM PAYMENT R50 + SURPLUS CASH R500 = R550</p> <p>5 R500</p> <p>Target no 4 with surplus cash</p>	<p>Month 3 R1500 allocated for monthly debt payments</p> <p>1 R9000 MINIMUM PAYMENT R500</p> <p>2 R5400 MINIMUM PAYMENT R300</p> <p>3 R2700 MINIMUM PAYMENT R150 + SURPLUS CASH R150 = R300</p> <p>4 R400 MINIMUM PAYMENT R50 + SURPLUS CASH R350 = R400</p> <p>5 R500</p> <p>Target no 4 with surplus cash then carry left over to no 3</p>	<p>Month 4 R1500 allocated for monthly debt payments</p> <p>1 R8500 MINIMUM PAYMENT R500</p> <p>2 R5100 MINIMUM PAYMENT R300</p> <p>3 R2400 MINIMUM PAYMENT R150 + SURPLUS CASH R550 = R700</p> <p>4 R1000</p> <p>5 R500</p> <p>Target no 3 with surplus cash</p>	<p>Month 5 R1500 allocated for monthly debt payments</p> <p>1 R8000 MINIMUM PAYMENT R500</p> <p>2 R4800 MINIMUM PAYMENT R300</p> <p>3 R1700 MINIMUM PAYMENT R150 + SURPLUS CASH R550 = R700</p> <p>4 R1000</p> <p>5 R500</p> <p>Target no 3 with surplus cash</p>	<p>Month 6 R1500 allocated for monthly debt payments</p> <p>1 R7500 MINIMUM PAYMENT R500</p> <p>2 R4500 MINIMUM PAYMENT R300</p> <p>3 R1000 MINIMUM PAYMENT R150 + SURPLUS CASH R550 = R700</p> <p>4 R1000</p> <p>5 R500</p> <p>Target no 3 with surplus cash</p>	<p>Month 7 R1500 allocated for monthly debt payments</p> <p>1 R7000 MINIMUM PAYMENT R500</p> <p>2 R4200 MINIMUM PAYMENT R300 + SURPLUS CASH R400 = R700</p> <p>3 R300 MINIMUM PAYMENT R150 + SURPLUS CASH R150 = R300</p> <p>4 R1000</p> <p>5 R500</p> <p>Target no 3 with surplus cash then carry left over cash to no 2</p>