

# 'It was absolutely mental:' How to fund a year-long trip around the world

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James Fletcher said goodbye to Toronto in 2016 for a year-long adventure to 21 countries, where he rode down Bolivia's "death road" on a mountain bike, watched a cricket match in India and learned to surf in Nicaragua — and he did it all for about \$25,000.

"It was absolutely mental. I couldn't believe it," said the 32-year-old who returned to Canada in September 2017.

A 12-month romp around the globe may seem like a far-fetched dream to most, but experts say such a journey is possible with proper planning, lots of saving and some sacrifices.

"If you really, really want it, you'll be amazed at what you can save," said Christine Williston, a money coach with Money Coaches Canada in North Vancouver, B.C.

Someone planning to embark on such a trip should take a hard look at their finances and decide how much they really need to spend on necessities, she said. Anything left over can be put toward the trip.

They should then determine the cost of a year abroad, and how long it will take to save that amount.

The plan should be in constant revision as a trip planner figures out extra costs to shave — like buying lunches, having a large data plan, etc. — until they're able to save up for the total cost of their trip before their preferred departure date.

Where you want to go will dictate the cost, said Barry Choi, a personal finance and travel expert.

A budget traveller could spend \$15,000 by visiting cheaper destinations, like Eastern Europe and Southeast Asia, and spending more time in each city to reduce

transportation expenses, he said. They can keep costs down by staying at hostels, couch surfing, home sitting or visiting friends and family; relying on public transportation; mostly eating food purchased from grocery stores; and focusing on free attractions, like some walking tours.

A mid-range budget would be around \$24,000, Choi said. That would permit a bit more flexibility with locations, stays in better accommodations such as Airbnbs, dining out at local markets or food stalls, and paying for attractions like museum passes.

Luxury travellers should plan to spend at least \$42,000, he said. They can be more spontaneous with their route, stay in hotels, eat at some fancy restaurants and take the occasional cab.

Those figures don't include costs such as travel insurance, additional equipment or clothing needed, or presents for people back home, Choi said.

It's important not to forget about ongoing annual expenses, said Williston, like life insurance, credit card fees or professional dues.

Fletcher initially budgeted \$20,000 for his trip, but spent about \$5,000 more after realizing he didn't want to restrict himself to the cheapest hostels or forgo some splurge-worthy experiences, including scuba diving in Honduras.

He avoided exceeding his budget further by calculating how much money he could spend each day. If he overspent one day by \$20, for example, he'd lower the next day's limit by that amount.

The self-declared "pragmatic saver" started planning the trip 18 months in advance, tucking away between \$750 and \$1,000 each month — in addition to \$10,000 already in his savings.

Fletcher came up with the extra money by eliminating purchases he didn't see value in, like buying lunches or taking taxis, and dedicating any commission earned at work to his travel fund.

It's a good idea to avoid going into debt to fulfil this dream, said Williston.

"If you come home to a \$30,000 credit card bill, that is years and years out of your life that you are going to be paying that off," she said. "And, ultimately, you'll live to regret it."

People should also be aware that they'll likely lose a year of salary and won't make any retirement savings deposits during that time, she said. That may be an easier choice to make for young people, who still have lots of time to plan for retirement, rather than older individuals, especially those who may not have saved much to date.

"Know the consequences of taking this money and spending it on something else, and then accept those consequences," said Williston, adding life is not all about saving money for retirement.

"Some people won't even make it there, you know," she said. "You could get run over by a bus."

Fletcher, for one, stands "100 per cent" behind his decision to take a year off, hinting another trip may be in the works in about a decade.

"For me, life is about enjoying yourself, living life to the full — without sounding too corny."