



Financial New Year's Resolutions

Christmas is the time of indulgence. But, after toasting the New Year, reality hits and it's time to sit down and think hard about your financial situation. What can you change and how? Making some financial New Year's resolutions and setting yourself goals can help you on your way to a better financial future.

Start by making a list of all your transactions in one month to see exactly what you are paying out. Allocate the spending to essential and non-essential items. You may be surprised how much you spend on takeaways, impulse buys and so on. This exercise can highlight where savings can be made and help make budgeting become second nature.

If you have a credit card chances are that it's taken a hit over the festive period. To tackle credit card debts, think about transferring the balance to a 0% interest balance transfer card. Then just work out how much you need to pay each month to clear the balance before the interest-free period ends. Also look for credit cards with cashback options, these can also help to put some money back into your pocket.

Once the credit cards have been taken care of, perhaps you can start saving more in order to build an emergency fund to help with unexpected expenses. Saving can be difficult, especially when the purse strings are drawn tight, but putting aside even the smallest amounts can start to add up. Ideally an emergency fund should contain around three month's salary to cover your expenses should you be unable to work. An easy access savings account is ideal so you can access it immediately if needed. An automatic transfer to this account on payday will help to build it up rather than waiting to see what is left over at the end of the month. Even a relatively small amount such as £50 per month will build to £600 per year equating to £3,000 in five years.

Another easy way to save money is to shop around for your gas, electricity, insurance, mobile phone, broadband and entertainment packages. It may take a little time and effort but looking around the market for cheaper deals could save you money, so start hunting now so that you are ready to make the move when it is time to renew your policies or tariffs.

These tips will help ensure that you keep on top of your finances. To start the ball rolling ask yourself the question – do you know how much is in your bank account right now? Now is the perfect time to start taking charge of your money.

We hope these tips are helpful and all at Fairhurst wish the readers a Happy & Prosperous 2019!

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