



MAKE YOUR MONEY GO FURTHER THIS CHRISTMAS

# Tis The Season to Be Jolly

*and impulse buy...*

With only a few weeks to Christmas Day, the financial pressure is upon us. Now is the perfect time to look at budgeting and your finances and prepare for the year ahead.

December is often a difficult month financially. Experts believe as many as **one in four adults** could potentially struggle to get by in the Christmas period.

Sorting your finances can seem daunting, but we are going to provide you with top tips and simple steps to follow to take control of your money at the most expensive time of year.

## Step 1 - Create A Budget

Budgeting is the process of creating a plan to spend your money. Creating a spending plan allows you to determine whether you will have enough money for the things you need and the things you want.

Taking the time to manage your money is a positive thing; it helps you to stay on top of your bills and save lots of money each year.

For starters, a budget should include the things you plan to spend money on each month and your income. This allows you to see how much money is left once you have all

your essential bills and expenses for the month.

The money that is left can be put towards reducing debts or saving money for the future.

### **TOP TIP!**

*For next year, include Christmas spending in your monthly budget plan so that you don't struggle in December and January!*

## Step 2 - Cancel Subscriptions

Seeing all your expenses in one place can help you to identify any areas where you can cut back.

Many of the goods and services we spend our money on, is paid for via direct debit or subscription. We tend to forget about the amount of money we pay for these luxuries as we do not physically hand over money; this can result in you paying for services that you are not using.

Create a list of all the services that you are currently paying for via direct debit or via subscription, and cancel anything you don't need anymore.

# Money Matters

*Christmas Edition*



HOW DO YOU SPEND YOUR MONEY?

## Step 3 - Check Prices

No matter how much you cut from your budget, there will always be things that you need to pay for such as rent or mortgage, utility bills, transport and food.

The end of the year is a great time to compare what you are currently paying for and to see what else is on offer.

If you own your home and have a mortgage, you could find a better deal from a different lender.

Utilities providers are highly competitive, and prices usually increase in the New Year. Shop around and see if other companies are offering deals that cost less, (some companies may offer to fix the price you pay for a length of time).



# That Time of Year...

*With Christmas Ads in full swing, is there anywhere to hide from 'Christmas Spending?'*

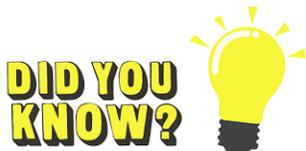
The Christmas period sees a dramatic boost in impulsive buying, arguably caused by businesses who target customer rationality at this time of year.

Suddenly, Sales Assistants are complimenting us on our outfits, retail staff are handing us bubbly at the shop entrance, and *carefully* placing products at eye level.

We have no chance! Especially when huge chunks of retailers' budgets are held back throughout the year to use for marketing strategies during the festive period. They are designed to stimulate reckless spending, which we are all guilty of...



New research from YouGov claims our Christmas spending is on the up. UK households spend an average of £821 over this period, spending £604 on gifts alone. Does this sound familiar?



Christmas shopping is almost as popular as Boxing Day in recent years. It is expected that £728 million is expected to be blown on the day itself, compared to £856 million on the 26<sup>th</sup> December.



## Let go of Holiday Guilt!

Child psychologists suggest that spending behaviour of parents' around Christmas time is the by-product of something called 'guilt factor'. This is where parents feel they must buy lots of presents to justify the time they have spent away working or feel they must compete with other families.

### **TOP TIP!**

*Be confident in your own decisions and spend only what you want to and what you can afford. You don't need to conform.*

## A Stress-Free Christmas

Children learn and thrive from a happy Christmas where the family unit is together and relaxed, regardless of the money spent on masses of gifts and food.

## Don't over-spend!

Spending must be relative to the family income. We know that most children under a certain age do not understand the true cost of Christmas; they do not understand the value of the money we earn.

Let's face it, we have all been there when our child prefers to play with the cardboard packaging, rather than the toy! Think before you buy!

The pressure to perfect Christmas puts a huge amount of strain on a family. Being short on money and competing all contributes to shorter fuses. Remember, all the fuss is for **one day!** Is it worth it?

## What you can do

Go to **free** Christmas Markets.

Set realistic financial budgets for presents.

Sell old items you no longer use.

Wrap presents individually.

If you're thinking about buying electronics, don't buy the brand-new model, earlier models will be cheaper.

If spending with credit/finance, make sure you are spending with the lowest APR you have.

Switch your bank account and you may be able to get £100+

Shop on eBay or Facebook selling pages

Set up a Christmas cupboard and fill it with supermarket deals you have found

Make a list and stick to it!

Pay by credit card if it is over £100 – You will be protected under Section 75.

Buy Christmas 2018 gifts in January 2018.

Relax and enjoy Christmas.