

Money Matters

Managing the money you have today is the key to making sure you have the money you need (and want) for tomorrow.

Whether you have a part-time job or receive a weekly allowance, it is likely that you are earning some money right now. This is great news as it means you are more financially independent and able to purchase your own mobile phone credit, new clothes or anything else that you may want, and you probably don't have the responsibility of paying rent or bills or buying food. This is the best time to start saving! It is never too early to learn about the value of money and how best to plan for your financial future.

POSITIVE ATTITUDE

You need a positive attitude towards money. Take responsibility for managing your money by making positive decisions each day. Acknowledge that you control how much comes in, goes out and gets saved. If you can, take on an extra shift at work at the weekend and save the extra money you earned. Decide that you will be an informed consumer as well as a successful saver. Don't just buy things because your friends do. Think about it: do you really need the item?

SUCCESSFUL SAVING

Time really is on your side when it comes to planning your financial future. As soon as you start earning money, start saving. You need to have a regular savings plan to allow you to buy big-

ticket items and have a 'back up' fund. It's best to put your savings into an interest earning account. This means that as your savings increase, so does the amount you earn in interest. You will be amazed at how fast your savings will grow!

BRIGHT BUDGETING

A budget is a plan. It helps you meet your financial responsibilities and achieve your financial goals. Your budget can be worked out weekly, fortnightly or monthly – whatever works best for you. The best way to work out your budget is to make a list of all of your essential expenses (e.g. mobile phone and internet bills) and then deduct these from your earnings. Then you can allocate an amount to save. Whatever is left over is your spending money! There are some great budget calculators available online to help with your bright budgeting!

CAUTIOUS CONSUMING

Always compare the products or services you are being offered. Don't respond to pushy sales people, especially if you're making a big purchase. Always give yourself enough time to think about it, even if this means leaving the store to do so. Return only once you are sure.

DEBT MANAGING

A loan is a financial transaction in which one party (the Lender) agrees to give another party (the Borrower) a certain amount of money that needs to be paid back during an agreed period of time.

Usually, the Lender is a Bank or other financial institution. Interest is almost always applied to the loan, and the Borrower must make frequent minimum repayments to pay back the Lender. For example, if you borrow \$100,000 for a year at a 10% interest rate, you will be required to pay back at least \$110,000 during the life of the loan. If you have taken out a loan, you are considered to be in debt. It is important to keep on top of loan repayments and try to pay back more than the minimum in order to clear the debt quickly.

LEARN MORE

Increase your financial literacy at every opportunity. Talk to your family and friends about their successful and unsuccessful experiences, but remember to take responsibility for your decisions.

Read financial articles, books, websites and magazines, and review your financial situation, budget and goals regularly.

