

# MAKING CENTS OF SANTA

It's the season of goodwill and time to reach into our pockets. Susanna Stuart shows you how to take the financial pain out of festive spending forever

**B**eware of the Christmas Grinch. That's his evil snicker you hear as your wallet swells with credit card slips. What a spoilsport! It's a celebratory time of year with lots of going out and partying in a short period. But the Grinch awaits as you start the New Year with a financial hangover.

Here's how to outwit him this Christmas.

## plan ahead

- \* Early in the New Year set up a separate account with a monthly automatic payment to cover your next year's holiday and Christmas expenses.
- \* There are 365 shopping days until next Christmas. Buy gifts at discount prices during the year.

## use credit wisely

- \* Avoid store cards with high interest rates.
- \* Reduce online buying risks. Use reputable retailers and a card with a low maximum limit.
- \* Minimum monthly repayments can be a costly trap. Pay the total balance even if you have to scrimp in other areas.
- \* Check out no payment or interest for 12 months offers. Read the fine print. Find out what the item would cost if you paid cash now. Some shops will load up the price of items to offset lost interest payments.

## shop smarter

- \* Stick to a budget. If you overspend on one present, underspend on another.
- \* Don't leave shopping until Christmas Eve. Panic is the enemy of prudence.
- \* Stay focused and don't be



distracted. Shop by yourself.

- \* Use shops that provide a free gift wrapping service.
- \* Buy bulk goods such as nuts and chocolates. Make presents by packaging them in individual jars or packets with ribbons and colourful paper.
- \* Help charities by buying their Christmas cards or calendars.
- \* Check return policies. Make sure you can exchange or

replace an item if it is faulty, and always keep your receipts.

- \* Support retailers who allow recipients to exchange the gift if it is not to their taste.

## give from the heart

- \* In a time-strapped world, be creative. Homebaked goodies or handcrafted creations are a real treat.
- \* Give time. Promise to babysit once a month.
- \* Instead of giving a gift, donate the equivalent amount to charity – more and more companies are doing this.
- \* In the season of goodwill, many charities seek help. Concentrate giving to a few so they receive a decent amount.

Some readers will recall my involvement with Surf Lifesaving Northern Region which I wrote about in the last two December issues of *Next*.

Well, I have survived my first year as Director of Finance and nobody suggested I jump from any helicopters. Lifeguards help make our beaches great places to spend our summers. A lot of resources are needed for each rescue, so any help is greatly appreciated. ☑



## for christmas stockings

- \* *Start Talking Cents* by yours truly. A book about how to teach your kids to become money savvy. (Random House, \$29.99)
- \* *Get Rich Stay Rich* by Martin Hawes and

Joan Baker. This is the ideal book for those who are serious about building wealth. (Allen & Unwin, \$29.99)

\* *Smart Money Smart Women* by business consultant Joan Baker. A must-have for every woman who is concerned about her financial wellbeing. (Allen & Unwin, \$29.99)