

HOW TO BUDGET FOR THE

# New Year

**2020 is here!** However, you might still be feeling the effects of 2019 in your pocket, especially after the holiday season. So there's never been a better time to relook your budget and set some financial resolutions for the new year.

## Here are a few tips for budgeting and managing your finances in 2020:



### Face your FOFO

FOFO stands for "fear of finding out". If you're not opening your bills because you're too afraid to know how much you owe, or you're not checking your bank statement because you're too scared to see what your bank balance is, then you're suffering from FOFO.

Face your fear! Check your account balances, open your bills, check your bank statements, and get an idea of your financial situation.



### Look back to plan ahead

To draw up a realistic budget, you first need to look at your past spending habits to figure out where your money usually goes. Start by making a list of everything you buy – this is called a spending plan. Once you understand how you spent and on what, you can look at where you can cut back on spending on things you might not need (for example, take-aways, alcohol, cigarettes, branded clothes, , luxury purchases, etc.).



### Plan for big changes

Think about the year ahead: how will it be different to 2019? Will you be moving to a new house? Is your child going to school for the first time? Do you have any big payments that are due? Make a list of all these financial changes, so that you can keep it in mind when drawing up your budget for the new year.



### Pay off your debt

You would be surprised how much of your money is going towards paying interest on your loans, credit cards and other debt. This year, make a resolution to pay off your debt as quickly as possible. Remember, you don't have to pay off big amounts at a time – every little bit helps.



### Set financial goals

We all have goals – some bigger than others. So, take a moment to consider what you want to strive for in the next year and, also, the next five years. Once you've set your goals, you can include it in your budget, and start saving now.



### Always save first

It's easy to say "I will save what's left of my salary at the end of the month" – but do you ever have anything left? Most of us don't. That's why it's important to save first, before you start spending.



### Stick to your budget

Yes, there will be months when you overspend on your budget – and that's when it's easy to fall back into your FOFO (fear of finding out). But, no matter what the year might throw at you, never stop budgeting – even if you've had a difficult month.



## Remember!

If you're battling to budget and manage your finances, our team is here to provide you with financial support and advice. Get in touch with us on:

**TOLL-FREE NUMBER:** 0800 000 408

**EMAIL:** [transneteap@mhg.co.za](mailto:transneteap@mhg.co.za)

**SMS** or send a please call me: 083 450 0508