



Alternatives

- ◇ Try **Lay-by** as an alternative, you can often get extensions if you need longer to pay your items off at no extra cost.
- ◇ If you must use a credit card it's a good idea to work out what your repayments will be and set yourself regular repayments. \$1000 spent at Xmas on credit could take another year to pay off e.g. 19% interest on a credit card could mean repayments of over \$45 a fortnight for the next year.
- ◇ One of the best ways to ease the financial stress of Christmas is to set yourself a **Budget**, decide how much you will spend on gifts and food and stick to it.
- ◇ Be prepared for next Xmas, start **budgeting** in January 2016. If you put away \$20 a fortnight you will have \$520 by December. Set up a Xmas account or separate savings account where you can put money away for Christmas and birthdays throughout the year. Try doing a Xmas Budget, see attached.

Please contact our Financial Literacy worker if you would like to;

- * Start a budget for 2016
- * Go over your existing budget
- * Discuss any concerns you have with your bills, debt etc
- * General money matters
- * Pick up a copy of a budget

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From everyone at Casey North

We hope you have a very

Merry Christmas

And a safe, happy and

debt free New Year



Interpreter Service Available

Ph: 131 450



Don't let
Christmas
burden you.
Keep yourself
financially fit for
2016





Having a great Xmas doesn't have to mean incurring debt.

Plan and Prepare

- ◇ Set an affordable budget and stick to it - see back page
- ◇ Plan how much you will spend on food and each present
- ◇ Only spend what you can afford
- ◇ Start buying non perishable food/goods now for Xmas day e.g. drinks, lollies, packaged & canned food
- ◇ Try lay-by
- ◇ Try a Kris Kringle to cut costs
- ◇ Take advantage of sales/shop around
- ◇ Consider making some presents
- ◇ Plan for next Xmas starting from January 2016
- ◇ Open a Christmas savings account

Try to Avoid

- ◇ Over-use or reliance on credit cards
- ◇ Interest free purchases - see next section
- ◇ Pay Day Lenders
- ◇ Cash advances and small loans from pawn brokers
- ◇ Rent to Buy, a very expensive way to buy. A No Interest Loan (NILS) or personal loan may be a better options
- ◇ Last minute shopping can result in impulse buying and overspending
- ◇ Cutting back on bills over Xmas will only add to financial stress in 2016. Try to maintain paying bills over the Xmas period.



Don't let XMAS burden you financially for 2016

The following forms of credit can lead you into debt, it's good to understand how they work before making a purchase.

- * **AVOID PAY DAY LENDERS AND PAWN BROKERS.** These businesses have very expensive fees and charges. Interest on loans which are hidden in fees can equate to 1300%. A \$200 loan over two weeks with a fee of \$40 translates to 522% per annum. If it takes you 4 weeks to repay the \$200 another fee will be added which is an extra \$80 out of your pocket.
- * After Xmas sales can be very tempting, if you do happen to make an **INTEREST FREE PURCHASE**, say on a new TV, do a budget first to ensure that you can afford to repay the amount each fortnight over the 12 or 24 months e.g. \$1500 interest free over 12 months will cost you \$58 per fortnight over the next year, that's (26 payments).

This does not include the monthly account fees. If the full amount is not paid off in time you will be charged interest for the whole 12 or 24 months adding hundreds to the original amount.
- * High interest rates on unnecessary **CREDIT CARD** purchases could lead to further financial hardship through the following year.