

Tips for healthier finances



Whether you are 60 or 16, it is never too late or too early to start making smart financial decisions. The earlier you start saving, the better prepared you will be for the future.

To help you make responsible financial choices, here are four tips for healthier finances.

- **Think about the long term.**

When you are planning for your future, it is important to ensure that you start thinking about your long-term financial plans. Rather than just considering your short-term financial goals, consider what your financial goals are for the next 5-10 years, and then start working towards achieving these goals now. For example, if you would like to buy a house in the next five years, then you can start putting a specific amount of money into a savings account each month to build up a deposit.

- **Create and maintain an emergency fund.**

According to experts, creating an emergency fund is essential to being financially responsible. Saving a specific amount of money in a separate savings account with a good interest rate ensures that you will always have a fair amount of money to live on should you encounter any financial difficulties. It is also essential to ensure that you are putting enough money into this fund. Experts recommend that your emergency fund should

have money equivalent to at least three months' worth of living expenses. In this way you would have sufficient cash to live on should you suddenly lose your job.

- **Track your spending.**

One of the fundamental principles of being responsible with your finances is to always track your spending. Know exactly what you are spending your money on, and how much you are spending, to make you more aware of your finances. This will also help you to assess where you can cut your spending if you need to.

- **Live below your means.**

The key to financial security is to always live below your means. Instead of spending all your money on unnecessary things, rather budget for the things you need and put the rest of your salary into a savings account where your money can grow.

Creating a stable financial foundation is extremely important, and not very difficult to achieve if you start making financially responsible decisions now.