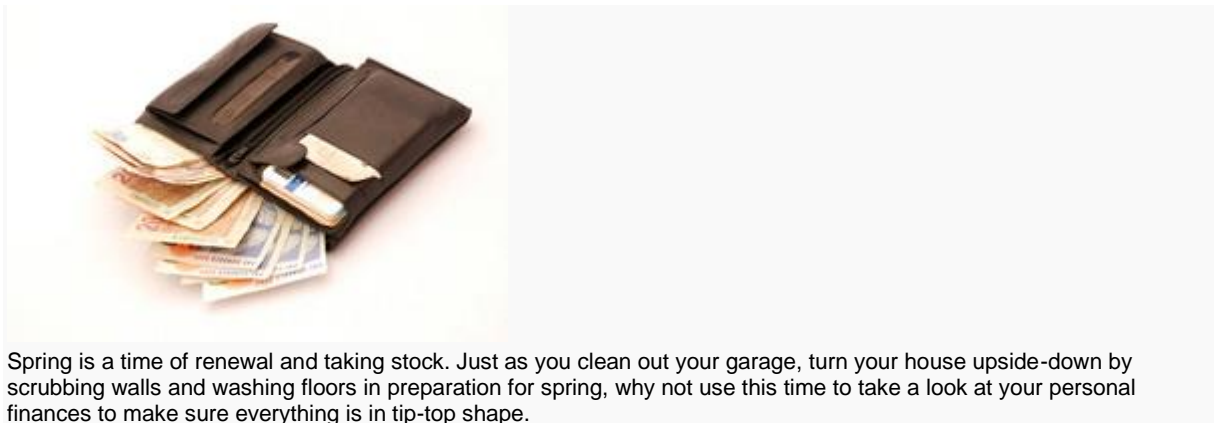


How to spring clean your finances

26 Sep 2013

Spring is a time of renewal and taking stock. Just as you clean out your garage, turn your house upside-down by scrubbing walls and washing floors in preparation for spring, why not use this time to take a look at your personal finances to make sure everything is in tip-top shape.



Spring is a time of renewal and taking stock. Just as you clean out your garage, turn your house upside-down by scrubbing walls and washing floors in preparation for spring, why not use this time to take a look at your personal finances to make sure everything is in tip-top shape.

Eunice Sibiyi, head of consumer education at FNB, says it is important to put time aside to go through your finances at least once a year.

A proper audit should be done so that you know where your money is and how it's growing.

"Spring also happens to be around tax return season, and just before the start of a new year, so it's a perfect time to tidy up your budget and bank accounts, also to relook your investments, policies and debts."

You might be like a lot of people who get caught up in the rush of everyday living, which means that you run on auto-pilot throughout the year, and this is usually true when handling your finances as well.

"We need to switch the auto-pilot off, and drive on manual for a while so that we can see what's going on," says Sibiyi.

There are a number of ways to spring clean your finances.

File your tax return

One of the first things you can do to spring clean your finances is to do your tax return. Make sure you've collected all the documentation you need to file, such as IRP5s from previous employers for the last tax year, as well as tax certificates from medical aids, investments and RAs.

You can either file your return manually, or go a faster and easier route by doing your return via e-filing.

There are easy to follow steps and if you get stuck as well as contact numbers to make use of. You can also make use of the e-filing App.

Both options mean that you can file from anywhere and anytime.

Spruce up your budget

It's probably been a while since you took a proper look at your budget.

Maybe you've changed jobs, received an increase or bought a car.

All this will affect how much money comes in and how much goes out. Track your monthly expenses by looking at your bank statements each month.



Everyone deserves to be rewarded, especially if you've worked throughout the year. So if you've been good, why not put some money aside to work on a dream.

This is useful if you are unaware of your spending habits. Re-evaluate what has changed from last year, update your budget and stick to it. There are a number of online tools and budgets that can help you stay on top of your finances.

Get rid of debt

If you're going to re-evaluate your budget, why not do the same for your debt. Your financial situation may have changed in the last year.

You may have taken on more debt, but perhaps after sprucing up your budget, you've found some extra money that you can add into your debt to pay it off sooner. You could start the New Year debt-free!

Drag out all your policies and insurances

Whether you're a paper person or are more electronically inclined, make sure that your filing is up to date.

Keep all your documents in one place, so that you're not running around looking for information when you need it.

Look at everything, which includes car, house and life insurance. You should definitely have a will.

Maybe you have a few other policies as well. Make sure your beneficiaries are up to date and that your premiums are at the levels they should be.

Work on a dream

Everyone deserves to be rewarded, especially if you've worked throughout the year. So if you've been good, why not put some money aside to work on a dream.

It might be an island holiday in a year to two's time, or you might want to open up your own business, or could be something very practical like being debt-free in a year's time.

The key to working on a dream is to write it down, set smaller goals and achieve those goals on a consistent basis, so that you will ultimately reach your dream.

"Spring is a time of new beginnings, positive energy and momentum, so why not use all of this to bring some positivity to your finances," adds Sibiya.