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HOLIDAY BUDGETING AND PLANNING TIPS

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After another tough year, the December break is a chance for most to let loose, indulge and have a fun time with family and friends, away from daily stress and routine. With the increasing cost of living, the negative outlook for the SA economy, and the lingering effect of Covid, South Africans are being forced to tighten the purse strings. As such, we all want to throw caution to the wind when it comes to spending over the holidays, so here are some practical tips to avoid overspending and a dreaded 'Janu-worry'.

1. AS THESE ARE BUDGETING TIPS, LET'S START WITH SETTING AN ACTUAL BUDGET!

A bit of planning ahead might prevent squandering all your savings and even going into debt. If you have a partner or spouse, spend some time together discussing the plans for the holiday. Print out a calendar and set a budget per category, whether it's fuel or travelling costs, Christmas presents, bonuses for helpers, groceries and dining out, tithe or charitable donations. Actually, setting it out on paper or a spreadsheet and discussing this with your partner can make sure everyone's expectations are managed for the holiday and assist in deciding on who will be covering what expense. Categorise your expenses: transportation, entertainment, food and miscellaneous, giving some room for unexpected or spontaneous spending.

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2. SET LIMITS FOR SOCIAL EXPENSES

Still continuing with the calendar – plan out certain days where you will be 'self-catering' and the days you will be dining at a restaurant. Setting a limit per meal per family can then adjust expectations as to how many times you can visit a restaurant. Take into consideration extra groceries needed for any special holiday meals. Also check in your freezer whether there is any meat you can take along instead of having to buy more. If you are holidaying in a big group, assign meals per couple or family – it spreads the responsibility of the shopping, cooking and cleaning up so that everyone also gets a turn to rest.

3. GET THE KIDS INVOLVED IN BUDGETING

If you have children and you are planning on a beach holiday, you will be spending money on ice creams, cold drinks, chips, you name it – it's guaranteed. Get the kids involved in budgeting. Allocate an amount, in cash, that they can manage safely to use for these extras. Buying some of these items in bulk, such as drinks and snacks, and then packing your own cooler box on outings can reduce unnecessary spending.

4. CONSIDER 'NEEDS' VS 'WANTS' WHEN GIFTING OVER THE HOLIDAYS

Moving on to a big expense for most over the holidays – gifting. Consider 'needs' vs 'wants' when gifting over the holidays. Instead of expensive toys in which interest will fade quickly, guaranteed, consider an activity that can form part of your holiday outings, and then exchange small gifts. If celebrating in a big group, look into doing a 'Secret Santa' with a set budget, where the adults then only need to buy one gift – this cuts down time in shopping malls and prevents overspending. Or alternatively, declare this year 'gift-free' – it is definitely the more environmentally and purse-friendly option.

5. USE 13TH CHEQUE OR A BONUS FOR LONG-TERM SAVINGS GOALS

If you receive a 13th cheque or a bonus, a strong suggestion is saving a percentage for long-term savings goals (as difficult as that might be) or paying off debt, and then transferring some of it to a savings pocket or similar account for back-to-school expenses and the end of the January stretch.

6. HAVE A WILL IN PLACE BEFORE YOU HEAD OUT ON YOUR HOLIDAY

On a more important note, make sure you have a will in place before you head out on your holiday. Ensure that someone, who is not travelling with you, knows where it is held and who to contact, if the worst were to happen. Also save up all emergency contacts on your and your partner's phone: medical emergency details, insurance contact numbers, security company details and bank contact details (in case of lost cards).

7. BEWARE OF UNEXPECTED EXPENSES

Before heading out for a road trip, make sure your vehicle has been for a service and the oil levels, wheel alignment and spare wheel have been checked. Unexpected expenses related to a vehicle breaking down could put pressure on your budget. Double check with your motor vehicle insurance company in terms of roadside assistance – if available, have those details on your phone. To avoid unnecessary traffic fines, ensure that your licence disc is up to date and stick to the speed limit.

8. SET SAVINGS GOALS FOR 2023

Start planning and setting savings goals for next year's holiday – it might make it easier to pay off a holiday over 12 months rather than all in one go. A little planning ahead can make next year's break so much more enjoyable.

Terms like 'saving' and 'budget' are not synonymous with fun over the festive period, but hopefully, by applying some of these tips, you can enjoy your holiday without placing financial strain on the year ahead. No matter what your plans are this December, if you are travelling, staying at home or working (thank you retail workers!), may it be filled with some rest and quality time with loved ones.

CONTACT ANY OF OUR HIGHLY QUALIFIED FINANCIAL ADVISORS AT OUR EIGHT OFFICES COUNTRYWIDE TO DISCUSS YOUR INVESTMENT STRATEGY

ROZANNE HEYSTEK-POTGIETER | Certified Financial Planner & Fiduciary Services Specialist

ROZANNE is a CFP ® professional and member of the Financial Planning Institute, currently under the direct supervision of Brenthurst Wealth founder and director, Magnus Heystek Sr. Rozanne has completed her Regulatory Examination for Representatives as well as her Postgraduate Diploma in Financial Planning with the University of the Free State (UFS), which enables her to furnish advice to clients on all investment-related matters.

Rozanne has been at Brenthurst since 2010 in different capacities, including as an assistant to a financial advisor. She officially re-joined in 2014, after completing her legal articles of clerkship, to head up our Fiduciary Services Department within the Gauteng region and has since expanded her career scope to that of a Financial Advisor.

As a fiduciary services specialist, she is also responsible for the drafting of wills, deceased estates administration and estate planning for investment clients. She is an admitted Attorney and holds a BA Psychology & International Studies degree from Monash University and a LLB degree obtained from the University of South Africa (UNISA), a Postgraduate Diploma in Financial Planning (UFS), and a further certificate in International Trust Management from STEP (Society of Trust and Estate Planners).

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BRENTHURST'S OFFICES WILL BE CLOSING 23 DEC 2022 & WILL REOPEN 9 JAN 2023

MAY THIS SEASON BE WRAPPED WITH CHEER & FILLED WITH *celebration* FOR THE NEW YEAR

ON BEHALF OF ALL OF US AT BRENTHURST WE EXTEND OUR SINCERE THANKS AND APPRECIATION FOR YOUR SUPPORT THROUGHOUT THE YEAR. WE WISH YOU AND YOUR LOVED ONES A FESTIVE HOLIDAY.

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