

Beginner Mistakes You Can Avoid To Have More Money Each Month

1 in 3 Australians spend more than they earn and a whopping 56% of us wouldn't have sufficient savings to cover our expenses if we temporarily had no income.

You don't have a budget in place

You can't manage what you can't measure. If you have no idea where your money goes each month, how can you move money around to make your own life easier?

You can start with a basic budget or a monthly tracker and figure out what you have to work with. Then just stick to it.

Give that a go for a month and you'll see where money leakages are and you'll naturally know how to fix them or reduce it.

Always saying yes

\$2.99/month for unlimited music? Yes please. \$3.99 for unlimited videos? Yes please.

\$6.99/month for unlimited streaming? Yes please.

Yes. Yes. Yes.

Before you know it you're 6 months into a subscription you've never even used.

Or you've signed up to a gazillion subscription services that need you to have 30 hours a day to even utilise them properly.

This is such a small but snowballing leakage in your monthly spend as it's often less than \$10 for each subscription so you don't ever notice it coming out of your account.

It's also so small that you can't be bothered to cancel it.

Reassess what you have on subscription and if you haven't used it in the last renewal period.

Can it.

Think about it. You can always resubscribe in the future, right?

You're living in LA-LA-LAND

So many millennials and adults we know live well above their means.

In fact, 1 in 3 Australians spend more than they earn and a whopping 56% of us wouldn't have sufficient savings to cover our expenses if we temporarily had no income.*

More often than not, when someone gets a 5% raise, they think "Oh wow I have so much money. Time to increase my lifestyle. I now want a Mercedes and a \$2Mil mansion." But that's so unrealistic with the 5% raise.

You need to be real with where you're at and make sure you're not spending more than you're making.

Work out your monthly income and anything you make that's extra - save it for a rainy day.

You don't have an emergency fund!

We've all heard it before but not everyone actually has an emergency fund.

That's an amount of money put aside that you do not touch unless something crazy happens in your life. You get evicted or suddenly lose your job.

In the case of an emergency, 1 in 3 Australian households wouldn't be able to put their hands on a spare \$500.*

By putting money aside for emergencies, you'll instantly know there's cushioning and this will actually take off some of the financial stresses in your day to day life.

You're not utilising your spare time

According to research, Australians spend 21% of their time on 'free time' activities including recreational, leisure and social activities.** That means if you take a fraction of that and put it towards something money making, you'd be well ahead of the pack.

Think about that. That's 5 hours a day spent on binge watching TV, or reading novels for pure enjoyment or maybe it's just out of lack of anything better to do.

You could be maximising your day by picking up a second job or stream of income.

You want the moon

Now there's nothing wrong with dreaming big. But it's so vital to have a game plan to get there.

If you want to buy a house or start a business, you need to put this on a timeline and assess how to get the resources to achieve the target.

Instead of saying "I want to be a millionaire". Rephrase things with a timeline and a method or path behind it.

"I want to invest in property to build a million dollar portfolio in the next 7 years"

Racking up debt

For some people, having a credit card is great because they know how to utilise its upsides and avoid its downsides.

But it's important to be really, really mindful of all types of debt.

This is money that you owe, and it's something that will follow you.

To the ends of the earth.

So make sure you don't overspend on credit cards and only rake up what you know for sure you can pay back. After all, it's not free money.

Thinking you have the best deal

We all have some kind of subscription service or monthly expense so it's important to shop around and make sure you're getting the best valued one for your circumstance.

Whether it's insurance, phone plans, electricity or maybe even rental, make sure you review your expenses every 3-6 months to make sure you're still being offered the most competitive rate. Don't just assume. Double check and do your own research.

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