



Guiding's Guide to...

Managing Money

With the recent credit crunch and financial markets in turmoil, we are all going to feel the pinch. By developing good habits now you will be better equipped to manage your money as an adult. In fact, good money management was identified in a Girlguiding UK poll last year as the top skill every girl should have. This guide provides a few basic tips to help you make sensible spending and saving decisions, and avoid troubles such as debt and fraud.



Girlguiding UK
girls in the lead

1. Shop around – see which banks are offering the best deals

As you take on increasing financial responsibility and think about opening a student bank account or getting your first job, you will find banks offer different incentives to open your account with them. Whether it's higher interest rates on savings, no-interest overdrafts or vouchers, find out which offer best suits your needs, not just for now but over the next four or five years.

2. Avoid the debt trap – the easiest way to lose friends and alienate people

Five pounds here or there, it's easy to get into debt, but much harder to get out of. When you reach 18, banks will offer you credit cards, shops will entice you with store cards and you will be eligible to take out loans. Whether it's from banks, friends or family, before you borrow money, have a plan for how you'll pay it back.

3. Be restrained – she who budgets wins

It's often not the big costs that tip us over the edge but the everyday things: coffees, chewing gum, magazines etc. Make sure you factor in an allowance for these smaller costs and stick to it.



4. Forget fashion fads – it's all about style

Yves Saint Laurent said, 'Fashion fades, style is eternal', so don't always buy into short-term trends. Sometimes spending a bit more money on something well made and that will always look good is a better use of your money.

5. Just the job – get work experience and give yourself a head start

By doing work experience, getting a part-time job or volunteering, you will give yourself a head start when it comes to finding employment later on. Demonstrating the skills you have and getting good references will put you streets ahead of the competition. It is one thing to be able to say that you have skills, but employers want you to prove it!



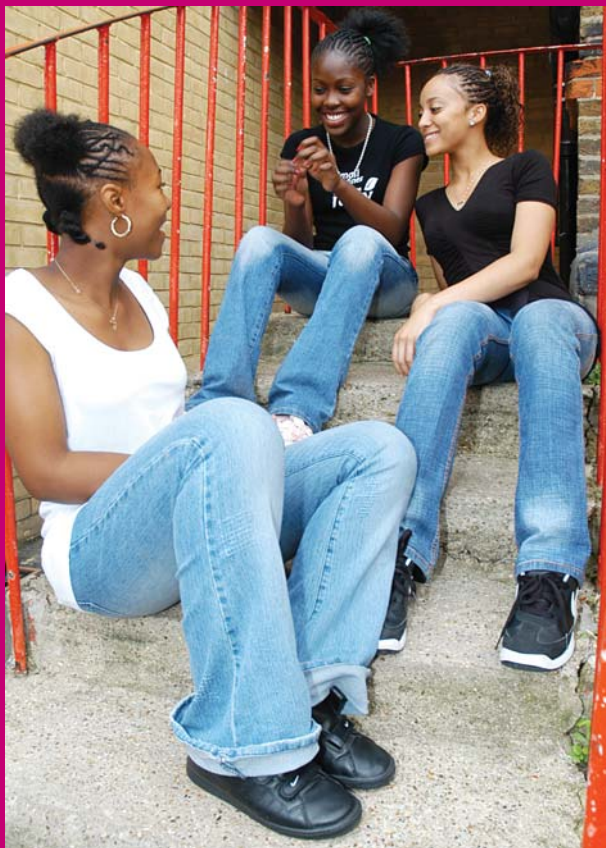
6. Don't rely on The Bank of Mum and Dad – everyone's cutting costs

The credit crunch has made everyone feel the pinch as living costs rise and we all need to think a little harder about every penny we spend. Don't assume that your parents will be able to foot the bill for everything you want – or bail you out when you owe money.



7. Know your enemy – protect yourself against fraudsters

Shopping online and using debit cards has made shopping an easier and cheaper experience, but the Internet is riddled with threats – use only trusted sites and shred any documents which have your bank details on them.



8. Choose wisely – do you really like it?

Think about what you want to spend your money on, spend it and then stop. This can be particularly hard when shopping online. A weaker economy means we have to make tougher decisions on everything from dresses to holidays. Don't go over budget and if you're not sure whether you want something, leave it – you can always go back for it later.

9. Get geeky – make the system work for you

The best way to look after your money is to understand the system – do you know your APR from your ISA? Learn the different types of bank accounts and what all the jargon means – that way you can make sensible decisions about what is best for you.

10. Bargain hunt – loyalty to brands is not rewarded

You might feel most comfortable with shops and brands you have used before, but are they offering you the best deal? Compare prices between stores – can you get the same product cheaper or on the Internet or buy something second-hand?