

Do you need WALLET BOTOX?

Never have anything in your purse, no matter how many £20 notes you take out of the machine? A little cash injection is what you need

It's 3pm on Monday afternoon and you're waiting in line at your local coffee shop – you know the caffeine kick from a latte is the only thing that'll get you through. But as you open your wallet to pay, you realise the £10 you left the house with earlier has been replaced by a collection of coins. In the end, you hand over a credit card for something that costs less than two quid.

According to the charity, Credit Action, personal debt reached £1 trillion in Britain last year and it's currently growing by £.1 million every four minutes.

"Average personal debt is now more than £5000, excluding mortgage," says Rob Parsons, author of *The Money Secret*. "We all know the sinking feeling that accompanies opening a credit-card bill or the realisation it's only halfway through the month and your salary's gone. But improving our finances doesn't have to be difficult."

And this is where wallet Botox* comes in. Alvin Hall, TV presenter and author of *What Not To Spend: Priceless Ways To Manage Your Money*, explains: "Botoxing your spending involves self-injection. It means inserting new ideas into the ways you handle and think about your finances. It'll give you the ability to remove the wrinkles from your finances and keep them away."

Because our financial wrinkles don't all show up in the same place, we've identified six key problem areas. See which symptoms

relate to you, then read on to find a solution. (But don't panic if your wallet has more than one wrinkle...)

WALLET WRINKLE #1

"The constant catch-up girl"

SYMPTOMS:

- 1 A night out with your friends means the gas bill will have to wait. Again.
- 2 Was your credit card cloned? No, the odd name on your statement is a bar.
- 3 You've feigned illness to avoid a big night out with your mates.
- 4 You maxed out your credit card to buy your boyfriend's birthday present.

CASH INJECTION:

One of your main problems is that your friends/boyfriend seem to have far more

money than you. Perhaps they earn more but, either way, you struggle to keep up.

Parsons prescribes a shot of 'financial honesty'. "Instead of pretending you're loaded, come clean. The normal reaction from others is relief – often they're not that flushed and were trying to keep up, too."

Once you've done that, success coach Judy May Murphy suggests organising things that are less expensive, such as a beach trip, or a dinner party at your place, where guests each bring a course. She says having friends or a partner who earn more is a great chance for you to raise your game when it comes to earning. "Ask them what they do differently and have them advise you, so you can start to earn more."

As for your man, if he's one of those types who doesn't mind paying for you, let him and learn how to say 'thank you' graciously! >



WALLET WRINKLE #2

"The good-time girl"

SYMPTOMS:

- 1 After a third glass of wine, you decide £20 on dinner won't bankrupt you.
- 2 You leave your Switch card at the bar overnight as you can't cover the bill.
- 3 You end up getting the night bus, having spent your taxi fare by 9pm.
- 4 You always try to pay entrance fees to bars and clubs with a credit card.

CASH INJECTION:

So you always end up overspending on a night out, which is tricky, particularly as it's normally accompanied by a whopping hangover. As with your facial wrinkles, prevention is better than cure. "Before you go out, sit down and budget what you're going to spend. Actually write it down – taxis, meal, drinks, entrance to club – everything," says Parsons. "When you leave the house, take only the cash you've worked out you'll need. Make sure you keep your taxi fare money in a different place and when the rest runs out, go home."

If you've already overindulged, Murphy suggests a post-splurge analysis. "Write down what you spent at what time and the mood you were in. So did you get a cab because you were running late? Or even if you didn't feel like it, did you go on to a club because everyone else was? Discovering the 'danger points' allows you to plan a different approach." The next stage is to write out what you'd prefer to spend your money on. "Reminding yourself how many hours at work it took to earn that extra round of drinks can be a wake-up call."

WALLET WRINKLE #3

"The little-and-often girl"

SYMPTOMS:

- 1 The pub near your workplace has a drink waiting for you at lunchtime.
- 2 The office sandwich man asks where you are whenever you're away.
- 3 You've no cash for the bus, so have to walk part of the way home.
- 4 Leaving collections always land on your desk first.

CASH INJECTION:

You're from the school of spending £10 a day, but having nothing to show for it.

"Try looking at the bigger picture," says Hall. "After all, £10 a day adds up to £2600 a year – and compare that to the money needed to achieve a goal like accumulating the deposit to buy your first property." Painful, huh?

Murphy suggests keeping a spending diary for two or three days to work out where you could freeze your finances. "For example, if you're spending on lunches, bring in stuff from home at least once a week. Are you getting the best transport deal possible or just buying your ticket before each journey because it's easier?"

Hall also suggests paying off your debts with the daily £10. "If a bank that issued your credit card is nearby, go there once each week and pay the £10 against your debt. Reducing the pressure of an unpaid debt will be much more satisfying than the small inconsequential things you spend money on every day," he says. "The key to ironing out wrinkles is to turn your spending habit into a saving habit."

WALLET WRINKLE #4

"The massive-outgoings girl"

SYMPTOMS:

- 1 Your next gas bill has arrived by the time you've paid off the last one.
- 2 Your flat's huge rent is justified by the many Saturday nights spent there.
- 3 You can't refer to your bank/landlord/gas company without using expletives.
- 4 Yet again, your electric/mobile/home telephone has been cut off.

CASH INJECTION:

After you've paid all your bills, there's hardly any cash for the rest of the month. And even if you get a payrise it still happens. Murphy has a back-to-front solution that offers more than just damage limitation. Before you pay your landlord, bills etc, pay yourself. That means putting away 10% of all you earn as your savings and investment nest." One woman she coached used her 10% money to buy beads to make jewellery, which she sold at weekend markets, more than doubling her weekly savings.

Think of ways to cut your overheads. To do this, Hall says you must distinguish between what you *need* and what you *want*. "Prioritise – things can't all be of equal importance. Then eliminate all that you know will upset your financial balance. Be strict; that way you'll have some cash left over to pay for some fun, too."

Murphy also suggests shopping around at different utility companies for lower rates. Find out how on www.cosmomoney.co.uk. She also stresses the need for you to be honest with yourself about things, such as how long you spend on the phone.

NON-SURGICAL WAYS TO STAY WRINKLE-FREE

PROCEDURE	ANNUAL SAVING
● Stop buying any magazine other than <i>Cosmo!</i>	£72 if you ditch two mags
● Swap a fortnightly trip to the cinema for a DVD	£130
● Use cava instead of champagne in cocktails (no one's ever sober enough to tell!)	£20 per bottle
● Re-heel your shoes instead of buying new ones	£55 per pair
● Stay home every other Friday night	£780 per year (if you spend about £30)
● Get a pay-as-you-go phone and limit yourself to £20 credit a month	£480 each month

WALLET WRINKLE #5

"The head-in-the-sand girl"

SYMPTOMS:

- 1 You avoid going to cash machines and opt for cashback instead.
- 2 You frequently assume you've just forgotten your correct pin number.
- 3 You've cried (more than once) on the phone to the bank.
- 4 You hardly ever use cash and are a prolific cheque writer.

CASH INJECTION:

Never knowing whether the cash machine will give you your card back, let alone some >

THE LOOK



money, is a familiar scenario for you. So time for some tough love from Hall, who has no sympathy with those left thinking there's something wrong with the machine *again*. "You're *not* a 'victim' of the cash machine. You control it, not vice versa."

Hall says you should look after your accounts in the same way you would your hairstyle. "If you ignore your appointment and go out with bad hair, whose fault is it? Similarly, if you go to the cash machine with your finances in disarray, then who's really caused you the embarrassment?"

Parsons prescribes a shot of 'Budgeting'. "Make a list of every bit of monthly income and then a list of expenditure. Put it all down – mortgage, utilities, council tax, takeaways, cosmetics – everything. Now add up both lists. You'll usually find you're spending about 10% more than you've got coming in. Trim the budget where you can so you plan to spend 10% /less. Keep a notebook in your handbag and write down everything you spend during the next month."

"It's time for some tough love. You're *not* a 'victim' of the cash machine. You control it, not vice versa."

WALLET WRINKLE #6

"The just-gotta-have-it girl"

SYMPTOMS:

- 1 You don't need that fifth gypsy skirt, but you know it's going home with you anyway.
- 2 You're responsible for much of the content of your local charity shop.
- 3 You buy a new bikini in your size and the size below for when you've lost that extra half stone.
- 4 Your friends of all shapes and tastes rely on you as their personal clothes shop.

CASH INJECTION: You can't get through a week without going to TopShop at least twice. Parsons suggests an injection of 'Because I'm Worth It – *Anyway!*' You don't have to buy things to have value. Learn to enjoy buying when you really want to – and smile when you've managed to 'window shop' for free."

One new item of clothing is never enough for you so, if you must shop, Hall has some solutions. "When you get the urge to buy a new piece of clothing, go through your wardrobe first to see what you already have. More often than not you'll find you're just buying a variation of a piece you already own, so you don't really need to spend the money."

Shop only for that *one* perfect piece. "If you happen to find it on sale, view the good fortune as divine intervention in your finances and put the money you've saved into your savings account." By doing so, Hall says you've combined pleasure and prudence. Now that would be something to make you glow!