

we are living beyond our means. He warns that if you only have 27 percent of your income at your disposal, by the time you've paid off bills, you are going into debt just to get by. You will be in a spiral of debt where you need to borrow more and more money in order to survive and get by.

"It becomes a vicious cycle. Every time you miss your debt re-payment, your debt grows. Many people are taking out more debt to pay their original debt."

STOPPING MONTH-END MENTALITY

Both Karin and Farai agree that people need to stop this cycle. They should continue to pay off debts, while putting an end to spending more. Budgeting is the cornerstone of being financially savvy and independent. When you have a budget, you'll give more thought to each spending decision you make. You'll learn to prioritise your spending and not blow your cash on impulse buys like clothes shopping and entertainment.

"By keeping to a budget, you'll be able to identify areas of overspending and manage these. Budgeting is one of the best ways of being smart with your cash," says Farai.

By being money-wise now, you'll help to sow the seeds of a rich and successful future. So keep to a budget and ask 'why' before you buy."

Karin raises an important question: "Do you go on a spending spree at the beginning of each month and then dip into your overdraft on the 15th? You need to break your bad spending habits."

She says the first step is to pay off your debt. The next step is to re-evaluate what you spend your money on by keeping an up-to-date budget which includes everything you spend your money on.

You have to accept that you cannot have whatever you want. "You don't have unlimited money, so you have to live within your means. You need to understand that just because you want something, if you don't have the cash for it, you shouldn't buy it."

MOVE! TIP Remember that every rand you spend is gone forever. Use your money to make yourself richer, not other people richer.

MOVE! MONEY TIPS

- ⚙️ Swiping a card is real. It may feel like you're not spending money, but when you get your bill at the end of the month, you'll see you are.
- ⚙️ We often think we need something that we don't. Only buy things that you know you need, not things you want.
- ⚙️ Stop comparing yourself to others. We tend to buy things that we don't actually need to impress people.
- ⚙️ Don't take out loans to pay back more debt. This is the debt trap. Get yourself out of the trap.
- ⚙️ In our parents' generation, they saved and then bought, rather than bought and then paid. Let's bring this culture back!
- ⚙️ Aim to save 10 percent of your salary if you can. ❖