

Steps towards Financial Health

Paula Perry

Greetings,

This post is going to be straight to the point regarding your Financial Health, the term Financial Health is used to describe the state of one's financial situation. It is also subject I Love to talk about as my childhood had financial struggle whilst experiences my own struggles in the past and wish I had someone who told me these 5 steps!

Most importantly I like to provide awareness to the fact that our Financial Health is usually the central point that impacts other areas of our health such as Emotional Health, Mental Health, Physical Health, Relationship Health and Spiritual Health.

5 Steps to Improve Your Financial Health:

Live within Your Means

- What does this mean? It simply means what you spend each month is less or equal to the amount of money that you bring in each month.
- Using credit cards, loans or savings to buy things that your income does not allow, is living outside of your means.
- Learn how to control spending, it will help you to manage your debt and be in good financial health. This is why budgeting is so vital and necessary!
- Spend less than what you earn.

Save, Save & Save

- Establishing a consistent saving habit is vital. You should have a long term savings, and emergency fund and savings for retirement, these financial goals will put you into the frame of mind that your money has to go towards the goal you have set.
- Money should be put aside for emergency, such as car repairs, white goods breakdown or dealing with redundancy.

Avoid Credit

- Avoid getting into any debt that you cannot pay off within a reasonable time. Get into the mindset of thinking if you can't afford it you cant have it ask yourself do you actually even need the item?
- Some debts you are unable to avoid such as mortgage, student loans, however you can avoid depending on credit cards as survival as this can put you into a deep hole which is difficult to get out of.

Start Investing

- Create an investment plan. This includes investing in you! Attend courses, seminars, workshops and buy books that will increase your investment knowledge.

- Your investments goal is to have your investing working to support you (providing you with additional money to re-invest).
- Multiple investments can prepare you for retirement and the standard of living that you desire.
- You can start investing with as little as £50 so no excuse!

Financial Planning is Vital

- Just like a holiday, planning is vital to getting you to your financial goals.
- The plan provides you with a road map to where you want to be financial.
- Financial plan will help you stay on track and in good financial health by preparing for the future.

I hope you enjoyed this post about financial health as it provides you with some useful strategies that will help your current financial position.

Please share with someone who may also benefit from reading this post especially young people who are entering into the adult world.

Have a wonderful day!

Love & Blessings - Paula x