

Shepherds Friendly

Your modern mutual



How to prepare your Christmas budget

Christmas is an emotive time of year; many people look forward to it while others bemoan its beckoning, dreading the preparation that comes as part of the package. Much of this feeling comes from the fact that it can be such a costly time of the year financially, but if you plan and budget correctly you can take so much of the stress and excess cost out of it!

We have put together some of our best Christmas budgeting tips to help make the big day a little easier on your pocket.

First, work out what you can afford

Many people's first instinct when sorting out their Christmas budget is to write down everything they need to buy for dinner, every present they plan to get their friends and family members, and any other bits they need to budget for. Then, they end up looking at this long list and thinking "how on earth am I going to afford all this?"

A better approach is to first work out exactly how much money you have to spend on each area, and then plan your food purchase, presents and any extras you need around your budget. This way, you will know that everything is covered and less likely to overspend as everything will be accounted for.

Take an afternoon to trawl through voucher code and discount websites

Thanks to popular voucher code and discount websites and consumer chat rooms, if you do your research well enough, you might be able to gain discounts from every shop you buy from!

Online discount codes are now part and parcel of online shopping, and many websites will have codes for money off electrical items or buy one get one free offers. It's all about knowing where to look!

Take an afternoon to trawl through different discount websites. Groupon is one of the most popular websites for discounts on goods and services, and others like MyVoucherCodes and HotUkDeals offer discounts for almost every high street shop you can think of.

When shopping online, for groceries or for gifts, before paying at the checkout, open a discount website and see if you can get a little bit of money off!

Approach the idea of a Secret Santa

If you have a large group of friends or a large family where you all feel required to buy presents for each other, why not suggest a group Secret Santa? While still buying presents for the children in your family, you could save a lot of money by setting a budget and buying only your chosen person a present.

If all the adults in your family agree to this, you can together choose an amount (this can be anything from £5 to save even more money, to £50 or more to make the options a bit more varied). By just getting one present you will save both time and money, and can take time over the one present to make it that little bit more special.

Get paid to shop!

If you regularly buy your Christmas presents and groceries online, there are ways to earn cashback on most of your online purchases. Cashback websites such as Quidco and TopCashBack offer cashback from high street retailers, grocers and even gift websites. All you need to do to earn the cashback is create an account and use the site to access the high street and online retailers. When you buy your gifts you will receive a percentage of the value of your shopping and the cashback will be paid directly into your account. It's a really easy, hassle free way to earn a little bit of extra money to spend during the Christmas period!

Go homemade

It can be tempting to excessively spend over the Christmas period, but try to remember that as clichéd as it sounds; it really is the thought that counts! A well thought out present that means a lot to the person can often be even more heartfelt and appreciated than an extravagant, expensive one. The results can sometimes be touching, and often hilarious!

Give the gift of saving

If you have a child or children in your life that will receive an abundance of toys, clothes and other presents this Christmas, why not give them something a little different? This year, you could offer them the gift of saving. You can open a Shepherds Friendly savings plan and begin saving straight away.

This way, you can put aside a monthly payment or a lump sum which the child will receive when they are 18. Instead of spending money on a present that they will eventually get bored of, you can offer them a gift that could help them out with their first car, house deposit or university spends.

Christmas is a holiday for spending time and appreciating your loved ones, which is much more important than spending a lot of money. We hope our tips help you budget so you can head into January with no Christmas spending hangover.

If you have been inspired to start tax efficiently saving, for Christmas or for anything else, please take a look at our saving plans.

<https://www.shepherdsfriendly.co.uk/your-resource-centre/how-to-prepare-your-christmas-budget>