

Brilliant MONEY MOVES

Clearing the clutter from your home makes you feel better, but it's even more satisfying to make a clean sweep of our finances. Make short work of a money detox with these six simple steps...

1 FIND IT, FILE IT AND FACE IT!

If your current filing system is a series of precarious piles wobbling on worktops, it's time to get ruthless. Staple different pages of bills or statements together and file them under clear headings in a folder. Opt for having bills or statements emailed to you; going paperless can reduce your charges, too. Only keep the paperwork you need. 'Unless you're self-employed, mortgage lenders usually want at least a 12-month history of your finances, so hold on to the previous year's banking and savings statements, plus payslips and credit card bills,' says Jane Symonds from the Money Advice Service. 'For identification purposes, utility bills, council tax payments and phone records from the past six months are useful. You don't need to keep receipts (unless you pay in cash) if you keep statements.' And, don't forget, when disposing of old bills, payslips and statements, use a shredder or tear them into hundreds of tiny pieces!

Declutter your FINANCES

2 LOOK CLOSELY AT ALL YOUR SPENDING HABITS

Simonne Gnessen of Wise Monkey Financial Coaching (financial-coaching.co.uk) recommends looking at three different areas of your finances. 'Identify all your standing orders and direct debits and take those off your income. You're left with the money that goes on variable expenses. There are some things you know you'll spend money on, such as insurance and holidays. Put aside money for these in a separate savings account. After that, you'll just have your day-to-day spending to monitor.' Do this with a spreadsheet or an app such as Toshl Finance. 'Start a log of the areas you need to keep a check on – food, going out or how much you spend on treats,' says Simonne. Stay on top of your service providers, too. Compare prices at gocompare.com or uswitch.com.

3 TAKE ACTION

According to OrSavelt, we spend a hefty £2,891 on impulse buys a year. Even that midweek supermarket dash drains your funds – a targeted shop could save you around £29 a week compared with just shopping when you need to, according to Voucher Codes Pro. 'It's about making small savings that add up,' says Jane Symonds. 'Use loyalty cards and try to make purchases on cards where you get a kickback. Use cashback sites, such as quidco.com or topcashback.co.uk. Take homemade lunch to work (you could save nearly £1,000 a year), cut back on takeaways, grow your own veg and herbs and get to grips with what's in your freezer.' Use the OrSavelt app to turn the money you might fritter away into real savings. And think before you click – a survey by the Money Advice Service found that there are £107 worth of unwanted online purchases in the average household.

4 IT'S TREASURE HUNT TIME!

According to Age UK, millions of us pay too much tax and a quarter of

adults have actually lost a pension pot. No wonder there's more than £15billion of unclaimed cash in the UK, according to the Unclaimed Assets Register. Search at mylostaccount.org.uk to find money you or a deceased relative may have squirreled away, or to see if you're owed anything from Premium Bonds – there's around £47million in unclaimed prizes, says NS&I. If you have a holder number, enter it at nsandi.com. Without that number, you can write to NS&I including details about you and your previous addresses. If you think you could be paying too much tax, go online at hmrc.gov.uk and use the tax checker.

Make sure you are getting all the state help you are entitled to. According to unbiased.co.uk, a massive £7.3billion in tax credits went unclaimed last year. You can find out whether you qualify at hmrc.gov.uk/taxcredits. To track down unclaimed life policy payouts, investments or pensions, visit the Unclaimed Assets Register at uar.co.uk. It costs £25 per search and, while only one in 20 is successful, the large possible payouts can be worth it. Go to gov.uk/find-lost-pension or call 0845 600 2537 to find your pension pots. 'Make sure you know exactly what pension pots you have,' says Jane. 'And close down any bank accounts you no longer use, so you know exactly where all your money is.'

5 SET FINANCIAL GOALS

Annual, monthly, even daily goals can help keep your spending on track – as long as they're realistic. 'It's great to set financial goals, but make sure they're not too rigid,' says Simonne. 'This can simply create too much unsustainable pressure. Concentrate on what you want the outcome to

be and have a clear plan of what you need to do to make that happen.' For example, if you want to work four days a week rather than five, you have to accept that you'll have to live on less and work out how you can make those savings each month. 'It's much more of a motivation to focus on the situation you want to be in than the one you want to escape,' says Simonne.

Take a long hard look at all your other clutter. Anything you haven't used for six months could be sold at a car-boot sale or on eBay. No time? Ask a friend to do it and split the takings or use an eBay trading assistant, who will typically take 30 per cent of the money they make from selling your items.



6 START HAVING SOME FUN WITH YOUR MONEY

Now that you have cleared out your clutter, worked out your spending and, hopefully, found a bit of hidden money, it's time to start making it work for you. Saving cash should not be seen as a negative thing – it's just the opposite. 'I've seen so many people get a real buzz from saving money,' says Simonne. 'Sometimes it can be hard to make savings, but most of the time people can live on a lot less than they do or can find extra ways to generate more income. Being in control of your money can be really exciting and liberating.' And it's not just Simonne who thinks so; according to NS&I, half of Britons say that saving makes them happier and two thirds feel a real sense of achievement when they save over the long term.