

LEAD THE CHARGE

Determined to avoid overspending this holiday season? These easy tips will help you manage your gift list and stick to your budget. **BY ANDREA KARR**

IT'S LATE, THE MALL'S CROWDED

and you've been shopping for hours—yet, you're still no closer to finding the perfect Christmas gift for that someone special. Maybe the season got away from you, and you missed earlier sales, or perhaps you're just not into online shopping. Either way, you're wandering from store to store, hoping to find that just-right mix of thoughtful, useful and affordable. But the clock's running out, so you grab the first gift that ticks the first two boxes, even though it costs triple your budget. Sound familiar?

The fact is many of us are living beyond our means—and not just during the holidays, but year-round. According to Statistics Canada, last year ended with a bang: We had record-high debt, owing \$1.65 for every dollar of annual disposable income. While holiday shopping isn't solely to blame, if you want to avoid spending setbacks this year, it's worth the time to make a plan *before* you get to zero hour at a crowded shopping mall.

Kelley Keehn, an Edmonton-based personal finance educator, says that's the best way to curb overspending and the credit-card debt that comes with it. "Figure out whom you're buying for, your budget and your ideal items," she says. Then, "research the best places to get the items you need."

The best way to do that? Go online to find the cheapest price for that camera or hot new toy, or make use of the many free cash-saving apps: RedLaser or ShopSavvy (both available for Android and iOS) make it easy to compare prices offered at online and brick-and-mortar retailers. And though most gift-list apps are Christmas-themed (think Santa's Bag—Christmas Gift List for iOS, or Christmas Gift List for Android), they're handy tools no matter what you celebrate, especially when it comes to setting a budget and tracking your spending for each recipient.

Then, says Keehn, keep an eye on your spending when you're in store. If you start going overboard—and over budget—take a breather. Ask the salesperson to hold your items, then go for a snack or bathroom break. As a fail-safe, only purchase gifts that have a generous return policy. That way, if you have buyer's remorse later on, you can get your money back, says Keehn.

Another option is to completely overhaul your family's gift-giving strategy. "I got everyone together a number of years ago and asked, 'What did I buy you last year?'" recalls Keehn. "Most of my family couldn't remember—kind of shocking, because I spent so much time and money getting those things—and I couldn't remember, either." While Keehn's family decided to go entirely without gifts for a couple of years, that's an extreme measure. Instead, your family could try secret Santa or set a modest budget to ensure that no one feels pressured to spend tons of cash. And keep in mind that you can reevaluate your gift-giving strategy next year. ●

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HIGH MARKS

Just because you have a credit card doesn't mean you should use it. But if you do decide to pay with plastic, here's what you need to know about keeping your credit score healthy.

- 1** Don't run up your credit-card balance to more than 50 percent of its limit. If your limit is \$1,000, never have a balance of more than \$500.
- 2** Resist the urge to sign up for department-store credit cards. They're easy to obtain if you have low credit, and they have high interest rates, so owning one will make you look desperate for credit and will lower your credit score.
- 3** Pay your bills by the due date, but be aware that the statement date might be different. The statement date is the day that your credit-card company will file with the credit-reporting agency, and it sometimes falls after the due date. If you make a big charge to your card after the due date and don't pay it off before the statement date, your credit score could take a hit.
- 4** Don't apply for too much credit at one time. If you request a new credit card, register for a new cellphone and lease a laptop within a short period, you might be flagged as high risk and get declined.

CHEAP & CHEERFUL



Three thoughtful, affordable gift ideas.

DAILY AFFIRMATIONS

For anyone who could benefit from a little positive thinking, The Five-Minute Journal (\$27, indigo.ca) can help redirect attention to affirmations and inspiring "listicles" in just five minutes daily. "I do it every day," says Kelley Keehn, an Edmonton-based personal finance educator. "And I buy it for everyone. I mean, who wouldn't want to spend more time being grateful?"

PERFECT PRESENTATION

Whip up batches of your favourite cookies for a few close friends and family members, but don't just toss them into a tin. "Remember, it's often about the packaging," says Keehn, "especially with the incredible paper and ribbons available at dollar stores today. Let your packaging showcase what you made." You can even include the recipe on a handwritten card.

GOAL KEEPER

If a loved one has a dream such as scuba diving in the Great Barrier Reef or running a marathon, help her visualize that goal. Start by purchasing a cute but affordable picture frame, then fill it with a photo (from a website, a magazine or an old calendar) that represents that passion. On a card or the back of the frame, "ask her to think of one thing she's going to do in the next year to achieve that goal," says Keehn. "Tell her you want to hear from her in a year to see if she did it."