



6 ways to reduce your credit card debt - Part One

If you've realised you might have a problem with your credit card debt, it's time to take back control. Sit down, take a deep breath and work out a step-by-step plan.

1. Stop all but essential spending on your credit card. Try and get by without your credit card and use cash wherever possible while you work on your plan. You could even set yourself a challenge not to spend any money for a week!
2. It sounds basic, but start by listing how many cards you have and what you're paying for them in interest.
3. If you have more than one card, start chipping away at the low-hanging fruit. Consider paying the card with the highest rate off first or if the rates are similar, work on clearing the smallest debt.
4. If you can't pay a card off in full, see if you can pay more than the minimum each month to reduce your balance more quickly and save on interest. It could be worth setting up a direct debit on your payday to pay a fixed amount.
5. Once you've paid off a card, close the account and work towards having a single card to help make your finances easier to manage.
6. If you feel that your interest rate is too high, you could consider transferring any remaining balance to a card with a lower interest rate or rolling the debt into an existing personal loan or mortgage, these tend to have lower interest and fees. Many providers offer great rates to consolidate, but make sure you pay the card off during any honeymoon period with the new provider so that you don't start accruing interest. Check the fine print - what interest rate will you pay after any promotional period ends? You don't want to just kick the can down the road.

Give Shaun or Vicky a call on **4927 4588**, if you need help for your particular situation.

We will guide you with a tailored approach that works for your circumstances. Give us a call on 4927 4588 (Rockhampton) or 4939 1766 (Yeppoon) to see how we can help.