

# How to be Financially Savvy in 2025



*"Don't find yourself broke on New Years Day, because you'll be broke all year long."*

Difficult as it can be not to overspend during the festive season, there is some truth in the quote.

**Living beyond ones means, overspending to please others and not having a rainy- day fund, can cause Black women to suffer emotional distress, mental ill health and worse. Not being financially secure or independent, can lead to women remaining in loveless and dangerous relationships, even experiencing domestic violence and abuse.**

Managing and avoiding debt is crucial for financial stability and freedom. Black women, like many others, face unique financial challenges, but with the right strategies, achieving financial health is entirely possible. The love of money may be considered the root of all evil, but not having any money can lead to some disastrous consequences.

Here are some tips tailored to help you get out of debt avoid accruing more debt, and effectively manage your finances in 2025.

1. **Create a budget:** Begin by understanding where your money goes each month. Track your income versus your expenses to identify areas where you can cut back. This will help you manage your money effectively and prioritise debt repayment. Contact Soul Purpose 360 to get your free [Cashflow Forecast Spreadsheet](#) to help you plan and manage your monthly spending.



2. **Automate payments, become a Professional Bill Payer:** Set up automatic payments. This ensures you never miss a payment, avoid late fees and negative impacts on your credit score. In fact, this is a great way of building an excellent credit score, which opens doors for more access to lines of credit should you ever need it in emergencies.



3. **Seek professional advice:** If you're unsure about your financial decisions, speak with a financial advisor. They can provide personalised advice suited to your situation. Make sure you research or seek personal recommendations for a trustworthy and qualified financial advisor. In the main, these offer free advice and are paid based on the products you purchase through them like mortgages and insurance.

4. **Prioritise your debts:** Make a list of all your debts, noting down the interest rates. Pay off the ones with the highest interest rates first, as they are the costliest. When you have an interest-free loan period, stick to your payment timetables to avoid getting into unmanageable debt.



5. **Consolidate debt:** If you have multiple lines of debt, consider a consolidation loan. This can simplify your payments and potentially lower your overall interest rate. Visit websites like **Money Saving Expert Martin Lewis** or **MoneySuperMarket** to find competitive rates.

6. **Avoid new debt:** Resist the temptation to take on new debt. If you need to make a large purchase, save up for it instead of using credit.

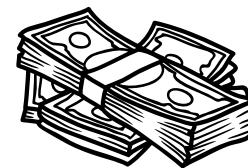
7. **Cut unnecessary expenses:** Review your subscriptions and recurring payments. Check how many insurances you have for the same thing. Do you really need to insure your phone, TV or other item more than once? Cancel anything you don't use regularly. Use that money towards paying off your debt.





8. **Increase your income:** Look for opportunities to increase your income. This could be through a side hustle, freelancing, or asking for a raise at your current job. If you want some support, advice and guidance, speak to other Soul Purpose 360 members about how they started their side-hustles or book a 121-coaching call with the CEO.

9. **Emergency Fund:** Aim to save at least three to six months' worth of living expenses. This will prevent you from falling back into debt in case of unexpected expenses. It may take some time to accrue this, but one way of doing it is to save money the same way you pay bills. Set up a savings account and pay a little into it every month by direct debit. This way you will not notice it.



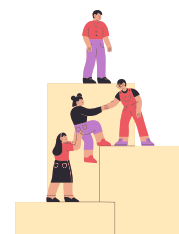
10. **Use Windfalls Wisely:** Put any unexpected windfalls, such as tax refunds, bonuses, or gifts, towards your debt. This can significantly reduce your debt load.

11. **Credit Counselling:** If you're struggling, consider seeking help from a credit counselling service. Don't be embarrassed; it is why they exist – to provide support, advice and guidance to people in debt. They can provide valuable advice and may help you negotiate with creditors.



12. **Financial Education:** Invest time in educating yourself about personal finance. Understanding money management, investment, and savings strategies can empower you to make better financial decisions. There are always courses and classes being shared in the WhatsApp group. Join in!

13. **Use Cash or Debit Cards:** To avoid overspending, avoid using your Credit Card. Instead, use cash or a debit card for your purchases. This helps you live within your means.



14. **Track Your Progress:** Regularly review your debt and savings progress. Celebrate milestones to stay motivated.

15. **Stay Informed:** Keep up with financial news and changes in the law that could affect your finances, such as changes in tax law or Benefits entitlement. Your financial adviser can help you to understand what this means and what you should do to benefit from changes to tax laws and Benefits.

16. **Build a Support Network:** Surround yourself with people who support your financial goals. Join financial literacy groups or online communities for encouragement and advice. Join the Soul Purpose 360 WhatsApp groups that are about money management and personal goals.



17. **Protect Your Credit Score:** Pay bills on time and keep your credit utilisation low to protect your credit score, which will be beneficial for future borrowing.

18. **Invest in Yourself:** Consider further education or professional development that could increase your earning potential.

19. **Plan for Retirement:** Even when paying off debt, it's important to contribute to a pension plan. Take advantage of any employer match programs. Talk to a financial adviser about long-term investment.



20. **Negotiate Bills:** Don't hesitate to negotiate your bills. You may get better rates on services like insurance, mobile plans, and your utilities like Gas and Electricity by simply asking. Consider switching utilities supplier to get better rates and other bonuses!

**A final work on this is a saying: *Never a borrower or a lender be!* If someone asks to borrow money, don't be afraid to say "No". It can save you chasing money and falling out with friends and family when they refuse or are unable to pay it back.**

**By implementing these tips, you can navigate your way out of debt, avoid accruing more, and lay the foundations for a secure financial future. Remember, the journey to financial freedom is a marathon, not a sprint. Stay committed, be patient, and keep your goals in sight. Let 2025 be a bumper financial year for you by planning, rather than leaving it to fate.**