



MONEY ADVICE FOR NESTING COUPLES

Bryony Rozendaal met David Diggle last year and has recently taken the big step to marry him. Adrian gives them a few tips with making joint finance decisions.

According to Relationships Australia it's not the mother-in-law or the other woman, but money that is the major reason for relationship break-ups. That doesn't surprise me. And with the current global financial crisis we can probably expect a lot more break-ups in coming months.

What surprises me is the same money mistakes that couples repeatedly make when they start a new relationship. There are so many stories about women being financially wrecked after a relationship goes sour. Blinded by love? Most definitely.

Bryony met her perfect match David in sunny Cairns last year. It was love at first sight and their relationship has rapidly blossomed to such an extent that they are getting married next year.

Communication is the key

I am no Dr Rosie but I mentioned to Bryony & David that no matter who you are, communication is the key factor to a great relationship. Particularly with money matters. There should be no secret purchases or silent credit cards and loans. All finance decisions should be consulted jointly before they are made. Failure to communicate openly and in a timely manner will surely result in fisticuffs down the line.

Don't sign your credit rating away

Not that I am suggesting for one minute that David is one, but there are a lot of men out there that are rats. I stressed to Bryony the importance of not leaving herself financially vulnerable by having David's debts in her name only (such as mobile phone accounts, car loans and rent leases). There is no joy in being left with years of debts, parking fines and bad credit ratings long after the tears have gone. And now is the time for Bryony to protect herself before she signs everything based on trust and love.

Set goals & compromise

Just like I would recommend to singles, I encouraged Bryony and David to write down their financial goals. Putting down individual ones as well as combined goals is important so that you know what each other wants. There may be some conflicting goals but it is crucial to compromise. European and Asian holidays, buying a house, starting a family and business ventures and, of course, the wedding were the main items on the happy couple's list. It was a great exercise as they could see straight away that they had a master plan to work towards for years to come.

Do a savings plan

With these great goals also comes great costs. Both appear to have a "saver's personality". That is, they like to save first rather than spend and think about it later. I suggested that they open 4 online bank accounts – one each for the wedding, house deposit, holidays & "a rainy day". Using Excel, we worked out a budget on and the amount they needed to put aside each month for each goal.

I hope you will find your perfect match this Valentine's Day and create your own love nest.

GOLDEN MONEY RULES FOR NEW COUPLES

- **Don't be blinded** – too many women get caught out with his debts and fines long after he leaves. Don't put phone accounts or car loans in your name. It may affect your credit rating and ability to borrow in the future.
- **Communicate** - it is crucial that you talk about all financial issues as a couple. Failure to do it is like a hand grenade ... it will blow up in your face.
- **Think hard about the C word** – financial commitment, such as buying a house, is a big decision to make. Don't commit if the relationship is rocky because there are lots of costs and hassles if you need to sell when the relationship ends
- **Rome wasn't built in a day** – take your time before making long term financial commitments. If you are meant to be with each other then you have 50 plus years to make decisions.
- **See a counsellor** - if you are having difficulties in your relationship, go and see a counsellor to help try and resolve your issues. They may be able to identify a simple solution & save a lot of angst.
- **Slow down Charlie** – when you find the right guy don't rush straight away into open joint bank accounts and joint investments. You need a bit of independence before going too fast. It may put him off.

- **Understand the differing finance personalities** – if you are a saver & he is a spender (or vice versa) you need to be aware of this & develop some understanding towards how each other feels.
- **Compromise** – we all need to make sacrifices from time to time especially when they are conflicting goals. Does he really need a plasma TV if you want to start a fashion business?
- **Set budgets** – always make sure that you have your bills paid before you do anything else. And make sure you keep some money aside for savings and rainy days.
- **Prioritise your goals** – you need to have something to work towards and its important to know what each other wants. Ranking them gives them importance and an order of operation
- **Pre-nupital agreements** – some may say that they are not worth the paper then are written on, but a pre-nup is a good preventative measure against a bag egg.
- **Teamwork** – it takes two to tango so don't leave it all to one partner to look after all the financial responsibilities.