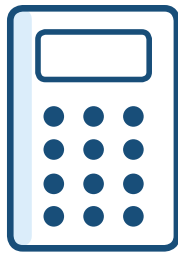


# Manage debt

There are two types of debt - good debt (e.g. a mortgage) and bad debt (e.g. credit card debt), both of which need to be managed to ensure you don't have too much of either.

1.



## Tally up debts

Before you can get your debt under control, you need to have a clear picture of what each debt is, and how much you owe in total. This doesn't need to be hard. Simply take out a piece of paper and:

- 1.1. Draw five columns, labelled 'What', 'How much', 'To who', 'Due by', and 'Interest rate'.
- 1.2. Complete the columns, leaving blanks if something doesn't apply or if you don't know the answer.
- 1.3. When you have listed all your debts, add up the amounts in the 'How much' column.

2.



## Prioritise debts

To tackle prioritisation, you could:

- > Pay off the debt with the highest interest rate first, or
- > Pay off the smaller debts first to feel a sense of accomplishment.

3.



## Refinancing and debt consolidation

Bringing your loans together or refinancing may help you to pay less fees and interest. However, this can sometimes just be a short-term solution. Focusing on repayment should be your priority.



## Where to get help

- > Community organisations provide free [financial counselling services](#) to help with debt.
- > The earlier you get advice, the better. Call the National Debt Hotline on 1800 007 007 if you are struggling with your debts.