



If It's Important, File It

save time and stress with a good filing system

We humans tend to have a strange idea regarding standards; especially, it would seem, when it comes to home finance. At work we are expected to adhere to a stringent routine, recording everything received and actioned, documents filed so that they can be accessed immediately they are needed again. Once away from that organised environment, those necessary rules can be conveniently ignored. In fact, the business and legal management of the average family's affairs is a complete shambles.

Admittedly, with the advent of on-line communication, paperwork has taken a back seat. There are, however, still times when accounts arrive via snail mail; and legal agreements are rarely binding unless documented on a piece of paper which has to be signed and witnessed. Add to these the numerous warranties that require proof of purchase, insurance policies, the terms and conditions of banks and loan societies, written permission for kids at school, plus any number of other matters that can't be conducted over the Internet and it becomes clear that we haven't gone entirely digital. So, what happens to these bits of paper?

The informative kind like news letters are of little consequence and can go for recycling with the rest of the junk mail; but what about the more important ones? Maybe they don't get quite the same treatment and are put somewhere handy to be dealt with later. Utilities accounts might be stuck on the fridge, stuffed in a drawer with the bank statements, dropped onto the computer desk, or worse still, left on the breakfast bar by whomsoever brought in the morning mail. If they are found in time to avoid a penalty for late payment it will either be a miracle, or thanks to the household administrator who knows exactly where everything is likely to be in this lucky-dip chaos. Needless to say, trying to find a single piece of paper which was one place last week and now might be anywhere is time wasted, stressful in some circumstances; and if it has disappeared into that resident black hole, it can prove costly. There is an easy remedy – a simple filing system.

A Concertina File will take care of paperwork that requires attention on a regular basis such as utility accounts. Quite often they don't need to be paid immediately, but if the due date is recorded on a monthly planner, then the bill is popped into the front section of this convenient partitioned file, there will be less likelihood of it being lost or forgotten. The same method can be applied to any file-now pay-later bills. Once cleared, they can be checked off on the planner, payment method, date and receipt number written on the document before being transferred back into its own section of the file. Should there be a dispute down the track, proof of payment is immediately to hand.

Bank and Credit-card Statements ought to be checked and reconciled as soon as possible after being received. Slip these into the front section of the concertina with the due-for-payment accounts, but make note of them on the planner as a reminder to check them ASAP. When they have been dealt with, they will go into their own slot for later reference. Documents such as car registration, insurance premium payments and any of those matters that only come up six-monthly or annually can be filed in the same way – but **only after they have been payed**: until then, they stay in the front pocket.

Investments need special attention, even though some transactions and transfers are made on-line. It isn't hard to run up a list of the current ones detailing amounts, deposits, withdrawals and maturity dates. A printout of this can go in the Investments pocket at the front of any relevant paperwork. This is also a handy method to use for recording lay-bys and cash transactions that might come back to bite should it be claimed that one or more have not been paid. Always insist on receipts for these and keep them with the list.

A Lever-arch File with transparent wallets is one place to store insurance policies, bank and credit-card conditions, plus information relating to any long-term agreements such as loans and frequent-flier or reward schemes that rarely need checking regularly. Many of us can't even be bothered to read these long-winded tomes, but they should nevertheless be filed along with anything pertaining to legal matters.

Legal documents are a mystery that few ordinary people understand, or want to. Anyone in a rental situation knows that trying to have money reimbursed by a landlord or an insurance company in the absence of positive proof is usually futile; and home-owners aren't immune to lazy or questionable business practices. Ensure any agreement is in writing, is appropriately signed and witnessed, and that this is kept with the relevant receipts; otherwise you might be lucky to receive little more than a wry smile and a see-you-later!

Eventually this simple filing system will become overburdened.

An Archive Box can be used to store old paperwork that still needs to be kept for a while. File boxes are usually cheap, but a cardboard box in good condition costs nothing and is quite adequate. Bundled separately, bank and credit-card statements, utilities accounts, etcetera, can be stored in the box, maybe in the garage (as long as it's dry and mouse-free!). Labelled appropriately so that you know what's in there, these past records can be kept until they are no longer required. Just be sure to shred them before disposal, especially those bearing personal and financial details – simply binned intact, they could be used for identity theft, or some other kind of scam.

Setting up an efficient filing system at home may seem like a busman's holiday to those who have to manage one every day at work, but it will be worthwhile. A small amount of time spent when it matters can save an awful lot more later on, not to mention a reduction in the stress department. The System causes enough problems as it is. Surely we don't need to add to that, not if the solution is as simple as filing a few papers?

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