



# Money matters

Hassled by home insurance? Juggling credit card debts? Confused about Child Trust Funds? We've got the answers to your financial queries

## Get card smart

**Q** I've got three store cards and two credit cards, and I'm worried I'll never pay off the balances. Help!

**A** Store cards often have very high interest rates - as much as 30% - so even if you're careful to pay off the minimum amount each month, you may never clear the balance. Simonne Gnessen, founder of Wise Monkey Financial Coaching, says the first step is to total the balances on all your cards. Next, check the interest rates. In most cases it'll make sense to cancel expensive store cards and transfer the debt to a single credit card with a low lifetime balance rate, which means no matter how long you take to pay it off, the rate remains low. Sainsbury's Bank standard credit card, for instance, offers 5.94% for life on balances transferred in the first six months, with no annual or balance transfer fees, and 0% on new purchases for 10 months.

But to pay off your debt, Simonne says, you need to rein in new spending and work out a repayment plan. That might mean leaving the plastic at home and switching to a weekly cash budget.

## The best pet protection

**Q** I'm thinking of buying my son a puppy and I can't decide whether or not to take out pet insurance.

**A** Looking after a dog, including food and inoculations, can cost between £500 and £1,000 a year. So before you take the step, make sure you're prepared for this kind of commitment for the next 13 to 15 years. Bear in mind that treating your pet if it has an accident or is ill could cost thousands of pounds. Most people assume their pet insurance covers all eventualities, but in fact more than a third don't cover vets' fees over £3,500 and around half don't include treatment for long-term conditions. Sainsbury's Bank pet insurance holds the *Your Money* 2006 title for Best Online Pet Insurance Provider. Cover starts at £4.15 a month for cats and £7 a month for dogs.

