Couple Finances

Description

Jumping onto this topic today regarding couple finances because @allycontrary started the discussion and I always love a debate ð???

I've actually talked about couple finances before, I think @wwonderwumeng attended that talk right! But for the benefit of those who didn't, I thought I'll distill this here today.

Independent for personal finances + joint for major decisions

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This is probably the most apt description for N and I on how we manage our money as a couple ð??? although during the wedding he did promise that his money is my money while my money remains mine ð???ð???ð???

Most households / couples generally fall into the following :

1. Each manage their own, separately, but contribute to a joint account for household expenses / pay their half every month.

2. The breadwinner manages the finances and gives the other regular allowance for household expenses and bills.

3. The non-breadwinner manages the finances while the breadwinner goes out to work.

4. The husband is in control.

5. The wife is in control.

Obviously 2 and 3 are becoming less common in recent years, especially in Singapore where it's really almost impossible to survive on a single person's income. Most would then lean towards one of the other options.

For N and I, we're a unique mix of 1, 4 and 5. We don't impose hard rules like contributing regularly to a joint account (although we do have one, we tend to do lump sum deposits) and we aren't fussy about

splitting the bills 50-50 either.

For instance, since I use the Internet the most in our house, I'm in charge of paying that.

N pays for the water bills because he takes freaking long to shower and gobbles so much water every day ð???

Obviously every couple has their own unique dynamics but during the talk, we touched on the importance of first figuring out:

Are you a Spender or a Saver?

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@allycontrary emphasized that you should strive to marry someone financially compatible with you (wherever possible) in the first place, but I don't really believe in that because

1. What if you really really love someone but they're just not financially compatible with you? Are you gonna break up with them?

2. People can change.

(it'll be ideal if you marry someone who's financially compatible with you although what happens if your fiance isn't? Then break up ah? How do we control who makes our heart flutter? And what if we break up with someone cos we feel you're "financially incompatible", then you live your whole life with "what if?". Then how? Haha I think too much!)

I'll use N as a really good example for point 2. When I first met him, N was a freaking SPENDER and it annoyed me to no end because as y'all know I'm very much a SAVER.

He had only a few hundred dollars in his bank account at one point and I was like wow, this guy is POOR man ð???

I couldn't understand how someone who has been working for so many years could have so little money in his bank account, especially since we were going on dates to hawker centres and off-peak movies.

It turned out that he was someone who lived paycheck to paycheck, especially since he spent a lot of money on his ex-girlfriends buying them flowers, branded gifts and taking them out to eat at restaurants ð??? basically he was the kind that I always told myself didn't wanna date or marry because they dunno

how to plan for their own future wtf.

HAHAHA the irony.

But it turned out that his spending habits were also largely influenced by the girls he used to date. N believes in spending on his loved ones and since they enjoyed eating at restaurants, using branded stuff and I guess which girl doesn't like being pampered by their menâ?¦so he did it for them without complaints.

Then he met this girl (me) who prefers to go to hawker centres and whose idea of a romantic date was to take a stroll along the beach or East Coast Park LOL. A girl who insisted on going Dutch whenever we went out on dates, and who SCOLDED HIM ð??? if he bought me flowers or branded stuff.

(my logic is that if my man can accept me when I'm sweaty and gross then he's worth marrying HAHAHA)

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I even warned him prior to our proposal that if he dared to buy me a diamond wedding ring I was gonna REJECT him on the spot ð???ð???ð??? and wrote all those blog articles on how diamonds are overrated so I could send them to him for reading ð??? I even bookmarked sites like ORRO and Etsy and told him to search for my ring there ok!

Today, N is much closer to a SAVER and socks away most of his wages into his bank account straightaway. He spends mostly on food (hawkers or eateries, seldom restaurants) and transport (the car). And unlike what some people might think about "depriving" himself, the truth is that N doesn't really care for all these expensive stuff either and will only go for them when the people around him do.

So in a marriage where one is a saver and the other is a spender, it usually makes more sense for the saver to be the one managing the family's finances because the other *could* recklessly spend if given free rein.

Luckily for N and I, we're both very cognizant of our huge financial responsibility since we have 3.5 dependents now (and hopefully 2 to come in the future), so we don't really see the need to spend much, nor do we feel like we want to ð???

Should couples have a joint account?

The most common method is where the couple sets up a joint account and each spouse makes regular contributions to it. Depending on the couple and each person's earning power, the contributions could either be split equally or one person might carry a heavier share of the responsibility if he/she can afford it.

For N and I, we opened a joint account right after our wedding, and promptly deposited the angpao money we received. (Prior to that, N had passed me half of our wedding budget for me to manage and it was kept in my own account.)

Personally, I would highly recommend having a joint account and setting some guidelines for contributions because it helps to maintain accountability of both parties in a relationship. Of course, you run the risk that one party could run afoul of the money, but then if you can't even trust your partner then why did you even marry him/her ð???

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The housing mortgage, bills or other household-related expenses can then easily be deducted from this account, with both parties having full transparency.

Does your partner know exactly how much you earn and have?

Not really. We have a rough idea, but N doesn't have access to my bank accounts (yes that's a plural haha) whereas he did tell me the password to his, but we have never seen the need to get down to the exact dollar and cent.

After all, his money is my money right? ð???

Just kidding! Trust is the main basis of our relationship so we generally trust the other to make the right financial decisions for our shared future.

We buy whatever we like with our own money but for anything that costs a significant sum (even for his work expenses), we'll usually consult each other before making the decision together. Just like how I asked him if I should be spending money on developing the SGBB Cashback app, and him checking in with me before he bought the car.

Who invests the money?

Obviously the one who's better at it la! ð???

In our case, I invest the money in our joint account, and N just leaves me to it although he asks how we're doing from time to time. I do make the effort to inform him of what I'm buying (and why) though, although he usually doesn't really get it hahaha.

But there are some couples who prefer to invest by themselves, or together, and why not! Whatever works for you ð???

Grow money grow!

We always joke that while all the other girls he's dated depleted his bank account, I was the only one to help him grow it ð???

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Seriously, his bank account has grown by over 20,000% since he met me ð???ð??? (you didn't see that wrong, it's 20k percent! mainly because the original base was so low lololol)

I guess that's why his words on wedding day were so memorable:

"You loved me when I had nothing. Now that I've something I wanna marry you. OPEN THE DOOR!"

(during the gatecrash)

(I prepared a lot of quotes but none of them made it to my videographer's cut okay. The irony is that I'm the writer in this relationship ð???)

Category

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