

THE CHEAPSKATES

JOURNAL

Bright ideas to save you money



The Cheapskates Club

PO Box 4232
Ringwood, Victoria
3134 Australia

info@cheapskates.com.au
www.cheapskates.com.au



THE CHEAPSKATES JOURNAL - BRIGHT IDEAS TO SAVE YOU MONEY

Feb 2011

In this edition

*From Cath's Desk

*Feature Article - How Many Days to
Pay for.....

*A Thoughtful Moment

*Saving Story - We're On Our Way to
a Debt Free Life!

*How to Haggle....Anywhere

*Zero Cost Ways to Relax

*Every Mum Needs a Toolbox

*Beating the Can't Be Bothered
Dinnertime Blues

*Dear Cath

*On the Menu - Pack an Impromptu
Picnic

*Quotes of Note

*Mrs. Sparkle

*Cheapskates Tip Store

The Cheapskates Club -

Showing you how to live life debt
free, cashed up and laughing!

If you want to win the Battle of the
Bills and are serious about saving
money, and living life debt free,
cashed up and laughing then this is
the place to be.

The Cheapskates Journal

Brought to you by: The Cheapskates Club
info@cheapskates.com.au

Feb 2011

From Cath's Desk

Hello Cheapskaters,

As I've looked back over the last few weeks, I am astounded that we have all survived. It's been a rollercoaster ride, not all of it fun, for many of us. And yet we are still here, still laughing and making jokes out of adversity (you just can't be that slight warped Aussie sense of humour), still living our lives.

Most surprising of all is that not one of the gang has dropped out of the Saving Revolution. In fact every day more and more Cheapskaters take up the challenge and join us in our goal to make 2011 the year of saving. I never expected the response to be quite so great, and I've had to re-think how the revolution is going to proceed. But proceed it will folks.

It's February, and you old timers know what that means. It's Spending Freeze month, the month when we don't spend any unnecessary money. It's a lot of fun finding ways to get what you want (you can't buy them, wants are not necessary) without spending any money. Spending Freeze month is also an eye-opener for many of us. It is amazing what you find is truly necessary, how many things we thin are essential just turn out to be desires.

As well as not spending any money, I am challenging you all to track your spending for the month. Just the same as regular tracking, this month you are going to record all your spending. The difference will be that next to each item you will put either an 'N' for necessary or a 'W' for want. How many 'W's do you think you'll have on the 28th?

I've had lots and lots of emails, phone calls and comments on the new forum. If you want to go over and have a look and join in the fun over there please do. Just remember that at the moment it is still on our test server so you will need to login. Yes, I know it's a pain, but it's temporary. We have thousands and thousands of members who all have to be moved over, one at a time, each one checked and double checked (and even then some glitches occur) but we are going as fast as we possibly can. Use your Cheapskates logins and if you have questions or get stumped, email me. I'll do my best to get back to you quickly.

And to finish off on a high, we're having a sale, and it's one that existing members can take advantage of too! From now until 8pm, Monday 28th February, we have reduced the price of membership renewals to just \$15 for a full year. You can renew your membership any time by clicking on the "Renew my membership" link at the top of the righthand side of the page (can you see it?). To get the special renewal price you'll need to do it before the 28th February though. I know it's spending, but it's a necessary expense if you want to get out of and stay out debt!

I firmly believe in the benefits of membership. Sure, you can work on your own. But everything is easier with support, encouragement and new ideas. And that's the value of a Platinum membership. You get all the support, encouragement and ideas you need to live life debt free, cashed up and laughing.

Happy Cheapskating,

Cath



How Many Days to Pay for.....

I hear "I don't have time to do to save money" every day.

So do you ever stop and wonder just how long you have to work to pay for that lunch out, or the new shoes you bought (even if they were on sale) or how long it will take you to earn the money to pay for the new CD or that pile of magazines you just bought? Do you wonder why you don't have time - to do anything?

Knowing just how long you need to work to pay for the things you buy gives you the power to make informed decisions. You'll know just how long you need to work before you own the things you buy, giving you the power to decide to spend the money, use it for something really important to you or even not work that many hours.

Until recently you'd have to do a simple math calculation with pen and paper and a calculator to solve the problem.

Not anymore. Now there is a new interactive calculator you can use to do the hard math for you.

Called "Days to Pay", this online calculator can give you the figures you want in just a few seconds. This handy little calculator can tell you with reasonable accuracy just how long it's going to take you to earn the money you spend, how many days to pay.

It's very simple, just go to www.daystopay.com. Click on the "Configure your Days to Pay" tab, it's on the panel in the centre of the screen, and

enter your figures (amount spent, amount earned). This calculator isn't configured to Australian tax rates (yet), so for the country field, choose "Do not use income tax in calculation" from the drop down menu. It's very straightforward and simple; follow the prompts on the page as you enter the information.

Then click on "calculate my days to pay" and you'll see just how many days (yes, days), hours, minutes and seconds you will be working to pay for that coffee, the shoes, the CD and those magazines!

It kind of puts spending money willy-nilly in a new perspective - do you really want to be working 54 days, 19 hours, 5 minutes and 47 seconds for - hang on, what was it you were working for? It was so long ago, I bet you've forgotten!

This is a fun tool that gives you an approximate picture of just what your spending really costs you.

A Thoughtful Moment

Never Look Down on Anybody

Never look down on anybody, unless you're helping them up.

To realize the value of a sister or brother,

Ask someone who doesn't have one.

To realize the value of ten years,

Ask a newly divorced couple.



To realize the value of four years.

Ask a graduate.

To realize the value of one year,

Ask a student who has failed a final exam.

To realize the value of nine months,

Ask a mother who gave birth to a stillborn.

To realize the value of one month,

Ask a mother who has given birth to a premature baby..

To realize the value of one minute,

Ask a person who has missed the train, bus or plane.

To realize the value of one-second,

Ask a person who has survived an accident.

Time waits for no one.

Treasure every moment you have.

You will treasure it even more when

You can share it with someone special.

To realize the value of a friend or family member,

Lose one.

Remember....

Hold on tight to the ones you love!

The origin of this letter is unknown.

Saving Story

We're On Our Way to a Debt Free Life!

Hi Cath,

I joined the Cheapskates Website last week (November 2010) in the eager hope that it will help us to pay off some debt, teach us to stop wastage and help my peace of mind. Already, we have had some positives occur and I just wanted to share this with you. If you didn't take the time with the Cheapskates Website, then I'm not sure what I would be doing right now!

My husband and I are both 28 and are now expecting our first child, a little boy, in March. Having been together since we were 19, we have managed to incur the following debt:

- \$310,000 home loan
- \$30,000 personal loan
- \$7,000 credit card
- \$6,500 loan from family

We both have great jobs and make well over \$100,000 a year, although we have NOTHING to show for it. Our assets certainly DO NOT outweigh our liabilities, a thought that makes me feel completely ill. We have not saved for bad times with an emergency fund and have always fallen back on loans and credit cards to help us out when things got tough, or when we needed something.

It wasn't until C injured himself playing football this year which involved him having to take



three months off work, surgery (even with private health insurance we had to fork out close to \$1,500) and lots of physio and doctors' visits. We weren't prepared and with a baby on the way, I realised we were in some serious trouble.

I tried to make changes to our budget which has always been done in Excel (to the exact dollar - but we have never stuck to it), but I just wasn't able to do it on my own. Since joining the Cheapskates Club, we have completed the following:

- Begun a 50c jar (saving of up to \$5 per week)
- Spending \$10-\$15 per week less on groceries
- Applied for a lower interest rate credit card and cut the other up! (Saving approx \$50 per month)
- Begun a Christmas account (Saving us \$10 per week)

Total all up at the moment is a saving of around \$2,000 per year! I feel so proud of myself and it has made me even more determined to play around with the budget and see where else I can make savings. I am devouring the Tip Store and Forum to get more ideas on ways to save. Addicted now you could say!

Anyway, I just want to say thank you for the effort you and the members put into the Cheapskates Club website. I have a feeling that things may have become even more dire if I hadn't have found you! I know that by the time our little guy is born, we will be on our way to living a debt free life.

Keep up the great work!

A., C., and Little Fitz

How to Haggle.... Anywhere

Have you ever envied someone when they tell you they were able to negotiate a great deal? It may have been for a large item, such as a car or a house, or something smaller like a holiday or washing machine.

Then there are those "lucky" people who are always able to get something knocked off the price of whatever it is they're buying - whether it's at a trash'n'treasure market or a department store.

You wouldn't dream of paying the asking price for a new home, or the price written on the windscreen of that car you've had your eye on.

You'd make an offer. And the seller would come back with a counter offer. And so the haggling begins. Offers and counteroffers go back and forth until a price is settled on or one of you chooses to stop negotiations. That's all there is to it.

In theory, everything is negotiable. The price on the sticker is just the asking price, the price the seller is hoping to get. You've done your research and you know the price you are prepared to pay. You can haggle over orthodontia - even on the price of music lessons and lawn mowing. It is almost always appropriate to haggle and nothing to be ashamed of. You are just asking a simple question.

The tricks to haggling apply to all situations. You probably won't get very far at the



supermarket, but always haggle at markets and when buying big ticket items.

Here are just a few of the things I've haggled over:

- Our house
- Our car
- Our lounge suite
- New carpeting
- Bulk lots of meat
- Bulk veggies from the market
- Accommodation costs for holidays
- The repair on my engagement ring
- A new camera and video camera
- Mobile phone charges
- Car parts
- Computers and computer parts
- Washing machines
- Fridges
- The new freezer

Firstly, always, always be polite. Everyone has the right to make a living and charge a price of their determining for their goods or services. It

is up to you to decide whether that price is fair and reasonable, and affordable, or whether you are prepared to accept the item or service as is but for a lower price.

Secondly, be prepared to haggle. Find out who has the power to do deals - in department stores and car yards it's often not the sales clerk you see on the floor, and then start a conversation; build a rapport with the seller. Show you are serious about getting a deal, not just wasting time. If you are a regular customer, let them know. And be prepared to buy if the seller meets your price.

Make sure it's worth everyone's effort. The bigger the ticket price, the more likely it is negotiable and worth everyone's time and effort. Spending 15 minutes to save \$1 on a \$10 item isn't really worth it. On the other hand, 15 minutes negotiating to save \$300 on a \$1,200 bracelet is.

Use your bargaining power. Start with the question "What's your best price?" and then stop talking. Put the onus back on the salesperson to do what he must to make the sale.

Flash cash. If you are paying cash ask how much for cash and wait for the response. Then ask for seniors discount if it applies, or if they would throw in delivery, installation, etc.

Value add. Ask how much if you buy another item e.g. a lounge suite and an LCD TV; a washing machine and a dryer; a dress and a pair of earrings etc

Collect prices. Shopping around pays off, don't accept the first offer you get unless you are absolutely sure it's the best you will get. And always get the price written on the back of a



business card. It helps if you can pull out a written price when you are haggling for a better deal at another store and you'll know exactly which salesperson to go back to when you buy, with proof of their price in your hands.

Be prepared to walk away. The worst thing that can happen is that particular retailer won't discount. All you have to do then is say "thanks for your time" and walk away.

Lastly, always say thank you. Once you've completed the deal, remember your manners and say thank you. And if the price and service have been beyond expectations, let the sellers know just how much you appreciate it.

Haggling, negotiating, bargaining - call it what you like - is something anyone can do and with a little practice you can become an expert!

Zero Cost Ways to Relax

We all need to relax every now and then. If we don't, we could end up getting stressed and even sick, as happened in our home just a few weeks ago. Stress can be an insidious enemy, sneaking up on you so you don't realise that your body is under attack.

My husband was to all intents and purposes a perfectly healthy, fit and active man. In fact if you had asked him, he wouldn't have said he was stressed at all. And yet he still had a heart attack at 3.30am, after a particularly enjoyable and happy night with friends.

It's estimated that 80% - 90% of all doctor visits are for stress related symptoms and conditions. Many are caused by stress while the rest are

conditions that are aggravated by stress. When we are in constant state of stress our bodies become exhausted and both our physical and emotional health suffer.

Learning to relax is the key to relieving stress. However, there are many relaxation activities out there, unfortunately many of them cost a pretty penny, which just adds to your stress.

What if we want to find some ways to relax without breaking the bank? It's easier than you think!

Here are some ideas for zero cost ways to relax:

Take Off Your Watch

I don't wear a watch, ever. Ten years ago my eldest son had a terrible accident and we almost lost him. For weeks we lived with the prospect of him losing his left leg. While I was waiting at the hospital to speak to the doctors, I kept looking at my watch. Time seemed to stand still and I could feel myself tensing up, getting more and more upset at how long everything was taking. When the doctors could eventually speak to us and tell us how he was I was so stressed and tense I was sick. And in that state I was no good to AJ, who needed me more than he ever had, or to my other children who were frightened and needed me too. I took my watch off and I've never put it on again. I'm never for because I don't know the time, but I am not stressed from clock watching either. Try it, just for a weekend. It's amazing how relaxing not watching the time is.

Light Exercise

A great way to relax is getting some light exercise. This can mean going for a walk around



the neighbourhood or playing a low impact sport. Exercise has been known to help the body relax and engaging in non-intense exercise will help your mind to unwind as well. Walking for just 15 minutes twice a day can relieve the symptoms of stress completely! Walking can trigger the release of endorphins, potent brain chemicals that relieve pain and stimulate relaxation. The higher your level of endorphins, the greater your sense of calm and well-being. Rhythm is another reason walking reduces stress. Swinging arms in opposition to legs starts a rhythm. It also exercises the right-left brain connection. And walking is free and can be done anywhere!

Meditation

Taking up meditation is one of the most relaxing activities you can engage in for free. All you need to do is sit in silence and focus on your breath. When negative thoughts arise, acknowledge them, and then let them go. Try doing this for 30 minutes each day.

Take a Nap

Babies and toddlers aren't the only ones that can benefit from a nap! You may even feel relaxed and rejuvenated after a simple 15-minute snooze. You don't even need to completely fall asleep to enjoy this activity. A quick cat-nap in your favourite arm chair can do wonders for your state of mind and health.

Shoot the Breeze

Go to a friend's house or talk to a friend on the phone. Chances are you have one of those friends that you can chat with as if no time has gone by since you last talked. Old friends

usually provide great opportunities to talk about the good old days and are usually good listeners too.

Listen to Music

I've never found those CDs that are promoted as relaxation music very relaxing, especially when I've seen the price. Get your MP3 player and lie down with some great tunes. Pick out a group of songs that you find especially relaxing. Classical and other light songs usually work best.

Read a Book

Borrow a new book from the local library and start reading. It may even be a fun activity to read one of your favourite books over again. Re-reading old favourites can be very relaxing too. There's a reason they are favourites, and one of them is probably because you can get lost in the words and forget the world for a little while.

Take a Warm Bath

Take a warm bath or shower. Not too hot, but warm is good. If you're taking a bath, add in bubble bath, play some classical music, light some candles and remember to turn off your phone. This is a simple way to have some peaceful time just for you.

Look at Old Photos

Bring out some old photos from your childhood or the photos from a fun trip you took. Remembering some of your treasured moments through photographs will make you smile and relax for sure.



Play Board Games

When was the last time you played your favourite board game? Dust off the old Monopoly or Scrabble, prepare some snacks, and play a few games with your family. It'll be fun for all!

Daydream

Allow your mind to wander and dream. Escape to where you'd like to travel one day. Think about what your life will be like in the next 5, 10, or 15 years and write these thoughts down in a journal to read later.

Have Afternoon Tea

Take time every day to sit down with a cuppa. Make it in a nice cup or mug and sit in a comfortable chair while you drink it. Turn the radio and TV off, move away from the computer. Just sit and sip your tea. It only takes 5 minutes, but it's a very relaxing 5 minutes.

Learn to Laugh

Laugh often. It's not just a gimmicky saying; it's a good stress release. Laugh out loud for a few minutes every day. Share a joke, watch a funny movie or just start laughing for no reason. However you do it, make sure it's a good loud chuckle. Of course if you are laughing with someone else people are less inclined to think you're odd. But if there's no one around, do it anyway. And laughter really is contagious so be prepared for others to join you in your laughfest.

Endless Possibilities

These are just some simple ideas when it comes to relaxing the zero cost way. I'm sure you will have lots more. Stay creative and remember that it's okay to waste time every now and then. After all if it's relaxation for your health, you're not wasting time, you are investing in your future.

Every Mum Needs a Toolbox

Whether you're going to get serious about working on projects around the house or just needing to tighten the screw in a saucepan lid, you're going to need some tools and a good place to keep them. Not having your own tools can cause a lot of frustration, while allowing your tools to end up wherever they land results in confusion and frustration when you need them next.

Every mum needs a toolbox and her own set of basic tools. Mums need to be able to do running repairs to toys, replace the batteries in all manner of gadgets, whack in a nail or picture hook and a thousand other jobs around the house that all require tools.

What Tools Do You Use?

First, you'll want to think about what you need for the tasks you generally perform. The standards are a hammer, several screwdrivers in different sizes (flat and Phillips heads), a retracting tape measure, needle nose pliers for holding onto just about anything, wire cutters, a set of small jewellers screwdrivers, multigrips

for loosening or tightening nuts and bolts, Allen keys for all manner of things, but you may also require wrenches for plumbing purposes or tightening nuts and bolts, furniture assembly and disassembly, and pliers for holding onto just about anything. A hot glue gun and some glue sticks, a roll of masking tape and a roll of electrical tape are also handy to have in your tool box.

Clamps can also be very useful if you're likely to need to keep two objects together. After all, you don't have three hands, and helpers may be hard to come by if you're a DIY mum. Clamps make gluing so much easier. After all you don't want to have to stand and hold something until the glue dries.

Take a little time to list the tools needed for the projects you do most often, and work from there.

Choosing a Tool Box

The box you keep your tools in makes a big difference, too. If you have a lot of tools, it might be tempting to get a really big box, but then how will you move it? Metal toolboxes are strong, but they are also very heavy, especially when they are full of tools. Wheeled boxes can fix this problem, but you need somewhere to store it. You can use several smaller toolboxes organized by the tools inside. Just make sure that you can manoeuvre while carrying any box you choose, even after it's fully loaded.

My toolbox is small and very light. It fits neatly under my desk and holds all the tools I need in the house.

I have another one the same for outdoor repairs (you know putting the fittings back onto the

hose, fixing the bird netting over the garden and so on) and one in the garden shed to hold my garden tools. They cost \$4 each from the Reject Shop and do a brilliant job.

Do You Need Tools Made Just For Women?

If you've ever been to a major hardware store, there's a good chance you've seen tool kits geared just for women. These are usually smaller, lighter versions of ordinary tools and they may be painted bright colours or appliquéd with floral designs. I saw some lovely tools in a newsagent, of all places, just before Christmas. They were lovely florals in pinks and greens. Very pretty, but not really practical. They were also very expensive at around \$16 for a pair of pliers.

You don't need tools especially for women, and there's certainly no reason to buy that pink tool kit unless you happen to really love pink. Remember to check the quality when you buy - some tools for women are made in lower grades than comparable men's tools. However, many high quality ordinary tools are geared towards men, who generally have higher upper body strength than women. Of course, men who don't work out much may have just as much trouble with these heavier tools as women do, especially the trade grade ones. In the end, though, some tools are just too big and heavy to be easily used by people who have slightly smaller hands or a different build so look for smaller, lighter versions of these tools. Or, leave any jobs that require them to someone else!

Looking for quality tools that are lighter in weight and small enough not to get in the way can be a good idea for women who are interested in doing their own work around the



house. The job gets done a lot faster if you aren't fighting with your tools, after all.

Once you have your toolbox set up and outfitted the hardest job you'll tackle will be keeping the rest of the family out of it.

Beating the Can't Be Bothered Dinnertime Blues

If you leave thinking about dinner until dinnertime, it's most likely that cooking is the last thing you want to do and you'll have a good case of the "can't be bothered dinnertime blues".

Cooking may not be your favourite chore, it certainly isn't mine, but it is something that needs to be done every day if you want (or need) to stick to a grocery spending plan. Thankfully, there are many time management techniques that you can use to make cooking a faster and easier and more enjoyable part of your day.

One of the easiest ways to save time throughout the week is to plan your meals ahead of time. This will free up the time you spend each night trying to decide what to make for dinner, racing to the supermarket, standing in line to pay for your purchases, and then driving back home to cook your meal.

Instead, you'll sit down, write out the meals you'll have during the week, and make one trip to the supermarket. You can plan your meals according to what you have in the fridge, freezer and pantry. Use those foods and what is on sale that week to make up a meal plan and

your shopping list. These two things will alone will save you money and time.

Just knowing that something is already planned for dinner that you don't need to think about it as soon as you walk in the door from work or after a tiring and busy day, makes it so much easier.

I keep a monthly meal plan on the fridge, for all to see. It stops the incessant "what's for dinner" question that used to start around 4.30pm every afternoon in our house. Now everyone can just look at the meal plan and know what they'll be sitting down to come dinnertime.

The following are some more tips to help you save time, but still provide tasty and healthy meals for your family:

- **Start using your crockpot!** This is a great time saving tool when it comes to cooking. When you get up in the morning, you can throw your meal in and let it simmer all day. When you are ready to eat, your dinner will be hot and ready to serve. A crockpot (or slow cooker, same thing) can be used all year round to prepare main meals, side dishes and desserts. It will even cook a roast. In summer the crockpot is a much cooler option than the oven for a roast.

- **You may want to consider freezer cooking.** With this method of cooking, you'll spend one weekend preparing a month's worth of dinners and then you'll store them in the freezer. At night, you'll take out the next day's dinner and let it thaw in the fridge. When your family is ready to eat, just pop that night's dinner into the oven or microwave and while it heats through prepare the veggies or salad to go with it.



If the thought of preparing a whole month of meals in one weekend turns you off the idea, try doubling each meal you cook for a couple of weeks and freezing the extra portion. It doesn't really take any longer to prepare a double recipe, remember you're only cooking one quantity and freezing the other. You'll end up with two weeks' worth of dinners in your freezer, giving you two weeks off meal prep without the marathon preparation session.

· **The casserole was very popular in the 1970's**, but it fell out of fashion during the 80's and 90's. I don't know why. They're making a come back among busy families and for good reason. This is a one pot dinner that is quick and easy to prepare (and easy to clean, since there is only the one pot plus dishes). And once it's in the oven it's forgotten until it's time to serve, leaving you free to do other things.

· **If you don't have time to cook a whole meal, you can opt to have a soup and sandwiches night.** There's nothing wrong with a tin of tomato soup and toasted cheese sandwiches for dinner. Or make a quick vegetable soup by browning some diced carrot, onion and celery in a little oil, then adding two tins of diced tomatoes and two tins of chicken stock. Bring to a boil, add 1/2 cup rice or small pasta shells and simmer for 20 minutes. Test for seasonings, add salt, pepper, parsley etc to taste. While that's cooking, you can make up some tomato and cheese sandwiches and cut up some raw veggies and serve those with a side dip. You'll have a very filling and nutritious dinner.

· **When you are really pushed for time, short cut cooking** will stop you from blowing the budget on takeaway. Short Cut cooking is the process of mixing prepared food with fresh ingredients to create a quick meal with homemade taste. For instance, you can

purchase a barbecue chicken from the deli and serve it with some pasta, a side salad or veggies that you prepare at home.

· **You can also plan your leftovers to create quick and easy meals throughout the week.**

For instance, using the chicken from the above example, you can take the leftover chicken meat and use it to make a stir fry, chicken enchiladas, sweet'n'sour or chicken salad sandwiches for the next day's meal. Then use the bones to make a stock to use for risottos, cooking pasta or as a base for soup.

Saying you don't have time to cook dinner is no excuse. I've given you six ideas to get a taste, nutrition and spending plan friendly home cooked meal on the table in 30 minutes or less so you won't ever have the can't be bothered dinnertime blues again.

Dear Cath

Q. I have white cups and I drink coffee or tea all day long. The problem is the inside of the cups have not only stained they are black on the bottom of the cup from staining. I have tried all sorts of different products but none have worked. Do you have anything that could help?
Imaida

A. If the inside surface of the cups hasn't been damaged at all fill them with boiling water. Add 2 teaspoons of bicarb and let them soak overnight. Then empty the cups, sprinkle the inside with dry bicarb soda and rub gently with a non-scratch scourer pad. Rinse and dry. Any marks that haven't shifted are probably there for good I'm afraid. The next solution is a little



more drastic, but may work if the inside of the cups is compromised. Fill with cold water and add 1/2 tsp ordinary bleach. Let soak for 2 hours, empty and rinse well. This should lift any stubborn, ingrained stains but if the inside of the cup is damaged, the bleach may leach into the porcelain or ceramic in which case it will always hold the odour and taste of the bleach. You'll have to find another use for it.

Q. I recently joined the Cheapskates Club and love it. I am now making most of our cleaning products from the recipes on the website and bake all the family's cakes and school lunch snacks myself. The recipe file is a wealth of information, thanks girls! I would just like to know exactly what I'm supposed to be setting up in the way of bank accounts - we have one already for bills and I'm imagining the other to be savings or the emergency fund I've read about? Also how much am I supposed to be putting aside into the account. If you could clear this up I would be grateful. We have moved 4 hours away and gone from 2 jobs to 1 part time job. We downsized our mortgage in the move but with 3 kids to feed and clothe we need all the help and tips we can get! *Amanda*

A. Welcome Amanda. Start small, one step at a time. It sounds as though you have a lot on your plate. As a general rule, the 10-10-80 division of income works well. Give 10 per cent - to charity, church, school building fund whatever you want to. Save 10 per cent. This goes straight into an Emergency Fund until it is built up to the equivalent of 6 months income. You give

and save before you take any money for spending. Live off the remaining 80 percent.

I suggest you print off the Bill Paying System and set it up. This will help you get a Spending Plan up and running. Until you have done this you won't know whether you're living on 80 per cent of your income or 115 per cent. If you find you are living on more than 100 per cent of your income, you need to go back and look at where you can cut costs.

As for bank accounts, one is all you need; any others are purely for convenience. As long as you keep a record of the deposits and withdrawals and what they are for, you'll manage just fine with one account.

If record keeping isn't your strong suite, then perhaps moving to cash for day-to-day expenses (groceries, petrol, school lunches etc.) with a bills, Peace of Mind and Emergency Fund accounts will work better for you.

Set up automatic transfers for pay day, so that as soon as the money hits your bank account, it is moved to the other accounts. That takes away the temptation to borrow from them.

Changing the habits of a lifetime isn't easy, it takes practise, and lots of it.

Q. When making the laundry powder and it says 1 cup of washing soda does this just mean 1 cup of any cheap washing powder? *Adriana*

A. No. Washing soda is sodium carbonate (not to be confused with bicarbonate of soda), sometimes known as soda ash. Washing soda you'll find it in the cleaning aisle, with laundry



soaps and additives. A common brand in Australia is Lectric Soda, in a clear plastic bag. It comes in crystals or powder form; you can use either for the washing powder.

On the Menu

Pack an Impromptu Picnic

There are still a few weeks of summer left, so why not take advantage and have a picnic. Pack a sandwich lunch or dinner, take a rug and enjoy your meal in the local park.

Simple chops or steak are delicious cooked on the barbecue. Serve them with Blitzin' Barbecue Sauce and Simple Salad for quick and easy picnic fare. A plate of Tropical Salad Rolls make perfect food for the kids to grab and go to play. But be warned, there won't be any leftovers.

Blitzin' Barbecue Sauce

Ingredients:

- 1 cup strong black coffee
- 1 1/2 cups Worcestershire sauce
- 1 cup tomato sauce
- 1/2 cup butter
- 1/4 cup lemon juice
- 2 tbsp brown sugar
- 2 tsp cayenne pepper

Method:

Combine all ingredients in a medium saucepan. Bring to a boil over a medium heat, turn heat down and simmer sauce 30 minutes, stirring occasionally. Serve over barbecued steak or chops.

Simple Salad

Ingredients:

- 1 head lettuce, washed, dried and torn
- 1 cucumber, cut into 1cm slices
- 1/2 green capsicum, cut into thin strips
- 2 large tomatoes, cut into 8 pieces each
- 1 salad onion, thinly sliced

Method:

Toss everything together in a large salad bowl. Chill. Add Simple Salad Dressing just before serving.

Simple Salad Dressing

Ingredients:

- 1/2 cup water
- 2 tbsp milk powder (skim or full cream)
- 1/4 tsp salt
- 2 tsp honey



Juice of 1 lemon

Method:

Place all ingredients in a glass jar, screw the lid on tightly and shake vigorously until well combined.

Tropical Salad Rolls

Ingredients:

8 large wholegrain rolls

8 slices pineapple, well drained

8 lettuce leaves, washed and dried

2 cups diced, cooked chicken (or ham or beef)

2 cups potato salad

Method:

Split the rolls. Place a lettuce leaf on one half of each roll. Put potato salad and pineapple onto lettuce, top with chicken. Put the top back onto the roll. Wrap each roll tightly in plastic wrap to keep them together and fresh until ready to be eaten.

To Keep a Salad Cool

To pack a cool salad, be sure the ingredients are thoroughly chilled before they're put together, then chill them in the fridge until it's time to pack them. Carry them in sealed containers in a

cooler packed with ice or frozen bottles of water.

To make an inexpensive cooler, freeze water in clean milk bottles. Then put the salad containers into a foam broccoli box (ask your greengrocer for one). Lay the frozen water bottles on top. The descending cool air will keep the salad cool for several hours. Water from the melting milk bottles will stay in the broccoli box and not drip all over the place, making a mess. You'll have plenty of cool water to drink or use to wash hands and faces too

Quotes of Note

Don't say you don't have enough time.

You have exactly the same number of hours per day

that were given to Helen Keller, Pasteur, Michaelangelo,

Mother Teresea, Leonardo da Vinci, Thomas Jefferson,

and Albert Einstein.

~~Life's Little Instruction Book, compiled by H. Jackson Brown, Jr.~~

~~~~~

It takes as much energy to wish

as it does to plan.

~~ Eleanor Roosevelt~~

~~~~~



There are only two ways to live your life.
 One is as though nothing is a miracle.
 The other is as though everything is a miracle.
 ~~Albert Einstein~~

~~~~~  
 The trouble with not having a goal  
 is that you can spend your life running up  
 and down the field and never score.  
 ~~Bill Copeland~~

~~~~~  
 It is not because things are difficult that we do
 not dare;
 it is because we do not dare that things are
 difficult.
 ~~Seneca~~

~~~~~  
 This became a credo of mine...  
 attempt the impossible in order to improve  
 your work.  
 ~~Bette Davis~~

~~~~~  
 Opportunities multiply as they are seized.
 ~~ Sun Tzu~~
 ~~~~~

Millions saw the apple fall,  
 but Newton asked why.

~~Bernard Baruch~~  
 ~~~~~

The average pencil is seven inches long,
 with just a half-inch eraser -
 in case you thought optimism was dead.
 ~~Robert Brault~~

~~~~~

## Mrs Sparkle - Part 2

Dear Cath,

This has been a long month for me. Money is a little short right now because of the holidays. I didn't have any work for three weeks and while it isn't much, I did miss the \$80.

I need a new lawnmower, my old faithful has given up the ghost and the repair man told me he couldn't fix it, it is just too old. It's done me good service for the last 34 years but I would have liked to have it last at least one more year. It's going to cost too much to get the lawns done by a mower man. I told my neighbour that the fence will have to wait. He suggested I go to the bank and get a loan to pay for it, what do you think? It would solve the problem; the fence is falling down and needs to be replaced.

I have tracked all my spending like you told me to, and it's about what I thought. I don't overspend, but as you can see I am spending just



about everything that comes in so I don't have anything left for saving. What do I do now? I really would like to get the mortgage paid off this year; I have \$6,139 left to pay. Not much, but a lot of money to me.

Mrs Sparkle

*Hello Mrs Sparkle,*

*Firstly, whatever you do, don't borrow any money! Apart from your mortgage you are debt free and you want to stay that way. I'm not sure how you'd go getting a loan, but I suspect that irrespective of your age and income, you'd be able to get one simply because of the equity you have in your home. It may seem like an easy solution but it won't be. You'll have the repayments added to your already limited income, which will put such a burden on you. What would happen if you couldn't work any longer? You've already said you missed the money for the three weeks you didn't work, how much harder would it be to repay a loan if you didn't have that money? I don't think it's worth risking your home for a new fence.*

*Before you even think about replacing fences, get three quotes. You can go to your neighbour and get three quotes each if you like. Then you'll need to decide between you which one to accept. Remember, the cheapest isn't necessarily the best value so look at the details on the quotes carefully. And you are a senior - so ask for a discount.*

*I hope you have a Seniors Card and I hope you use it. Every state has a senior's card which offers a range of discounts and other benefits to holders. It's also free, although you do need to apply for it. If you don't have one yet, visit the Seniors website ([seniors.gov.au](http://seniors.gov.au)) to find out more information.*

*Have you thought of looking on freecycle for a lawnmower? It's a great way to get the things you need without spending a cent. You can put a "want" ad on the website and hopefully someone will be able to help you out. You can repay the generosity by putting anything you don't want, need or use on the website so that someone can benefit from it. It's a lovely way of recycling and you know your goods are going to someone who really needs them.*

*In the meantime is there a neighbourhood teenager who could cut your grass for you? Even if it was just once a month it will keep it trim and tidy until you can do it yourself. It won't be cheap I know, but a stop-gap measure until you get your own lawnmower.*

*You pay your mortgage monthly at the moment. I'm guessing you've always done this. Can you switch to fortnightly payments from now on? Just divide your monthly payment by two and pay that amount each fortnight. At this stage of the mortgage it isn't going to make a huge difference to the interest you pay, but it means you'll be a month ahead at the end of the year, and one month closer to owning your home. You may need to let your lender know what you've done; write them a short note explaining you've changed your way of paying. As long as you meet your monthly requirement you shouldn't have any problem.*

*You aren't over spending. You are living within your means, which is great. But to save money you need to live below your means. So, hard though it seems, you need to trim the fat.*

*I've sent you a blank Spending Plan for the next twelve months. Your job this month is to fill it in, as accurately as possible, using bank statements, receipts and your tracking notes. Once you've done this you'll have a reasonably accurate*



*picture of your finances. Once you've done this you can see where to trim.*

*Groceries obviously will be the easiest to trim. Look at your food buying habits. Do you waste food (which is wasted money)? How often do you throw food into the compost because it's gone off? Is your freezer full of UFOs that you don't use because you don't know what they are? Is your pantry full of food you haven't eaten yet?*

*February is Essential Spending month, so I want you to join the challenge too. Essential spending only: mortgage, bills that have to be paid, only the food you really need, medicines, petrol if you really need it. See how much you can save this month; you may be able to buy your lawnmower in March!*

*I've given you a lot of work to do and a lot to think about for the next few weeks. I am confident that you'll be able to do it.*

*Happy Cheapskating,  
Cath*

### **Novel Lunchable Container Keeps Mum and KidsHappy**

My pre-schooler loves Lunchables (he found out about them at daycare) and will eat everything in one when he has them. Because they are so expensive to buy, and are not that great nutritionally, I bought three small boxes that have two small and two large compartments in them and make my own version of a Lunchable. I usually put in a piece of chicken, two or three cheese cubes, some cherry tomatoes, a twist of sultanas and his

drink bottle (half frozen to keep it all cool). I know there's nothing special in this, lots of dollar savvy mums out there do it. My trick is I didn't spend a fortune on special lunchboxes or Tuppeware - I went to the Reject Shop and bought three small boxes from the hardware department for \$1.50 each! They are usually used for fishing gear or small tool kits, but they make great lunchable boxes and best of all if one gets lost it's not a big deal.

- Contributed by Tanya Grieves

### **Get Rid of Nits forever!**

**Approximate \$ Savings:** over a \$100 year

Don't waste money on very expensive nit treatments for your kids, which often burn the scalp, and often don't work as the lice build up a resistance to the treatments. Use a squirty bottle full of plain white vinegar (Homebrand is good - less than \$2 year) and squirt kids hair thoroughly once a week, leave for 5 or 10 minutes, and NO MORE NITS! Don't even need to bother with a nit comb. Do this once a week or so. Nits do not build up a resistance to this treatment, and it also leaves hair shiny and no need even for conditioner if hair is not over long.

- Contributed by Lee Poyser

### **Stick a Cork in It**

**Approximate \$ Savings:** \$5.00

We've just come back to Victoria from a week's caravanning holiday in Mannum/Robe SA. The best time to travel is definitely before Christmas - fewer crowds, little to no traffic! And are we ready for the bigday! Rested, de-stressed and all



organised! (24 hours in advance.) However, this hint applies to the basic need of washing or having clean water to wash in whilst bush camping. We have yet to use a sink plug (funny how they always go missing.....) for our tiny yet versatile 11 ft Caravan which sleeps 2 adults (double bed) and 2 children (in bunk beds). We open a bottle of wine to celebrate the beginning of our holiday and use the fresh cork as our sink plug.

- Contributed by Melinda Rau-Wig

## Stretch Potatoes

Normally I would cook my potatoes with the skin on to retain the vitamins and fibre. With tiny tots now in the family I have to peel the veg because they still struggle to chew the skin. With so many baked meals leading up to the big day I have a lot of potato peel left over. This I keep and crisp in the chip maker and add as a side dish with our left over meals of fritters or stir fries. Struggling to make ends meet. Peel the potato, cook for one meal and add the crisped peels for the next meal. The kids love it.

- Contributed by Linda Stapeleton

## Building a Christmas Cash Stash

My husband and I are both paid on the same day each fortnight (he used to be paid monthly...nightmare!!), so at the end of each fortnightly budget cycle, any cash(notes) we have left over is immediately placed somewhere safe as savings for Christmas, this can be banked if you feel that would be a safer choice. Any coins are placed in a large money box and banked at a later stage also. We started

a little late this year, but it is the first Christmas that I can remember feeling totally stress free about money! We also paid for both our work Christmas party functions out of our stash of cash!

- Contributed by Karyn Jansen

## Saving on Xbox and Similar Games

**Approximate \$ Savings:** \$10-\$50

Having 6 children who all have different tastes in Xbox and Wii games can get very expensive. They all give us their "want" list for Christmas which always contains a couple of new games. Instead of trudging around the shops trying to get the best price have a browse through the online game stores instead. MightyApe, CDWOW and the like have some great bargains. If you start early and keep an eye on these online stores you can often save up to 50% off the cost of the games. Just keep in mind that a couple of these stores send from overseas so you may have to wait up to a month to receive your game but the savings can definitely be worth it!!

- Contributed by Colleen Warrender

## No More Smelly Garbage

Our garbage collectors come weekly and the recycle garbage collectors come every second week. To keep the smell of meat and old bones etc. we put them in a plastic bag that we would have picked up from the grocer when buying fruit and veg and then freeze the meat products and by products that have gone to waste. We are using the plastic bags that otherwise would



have had no use and saving on water and sanitisers for the cleaning of the bin. This freezing idea works wonders as there are no terrible smells and also works for liquids that have gone off in the fridge and is limited only by your imagination. To get rid of the scraps or waste just pop them in the rubbish bin the night before pick-up. There's no attracting wandering animals and no smell while also saving water. Remember to wash out containers and jars when putting into the recycle bin. We have been doing this for 20 years now whilst using our food scraps from veggies and fruit etc. in the compost to make a great soil for the plants where we can grow more fruit and veg hence saving even more money and time.

- Contributed by Sunita Hand

## Easy Meat Tenderiser

In response to the meat tenderiser question, I marinate my red meat in milk and soy or teriyaki sauce. It works brilliantly. You can leave it for as long as you like: 1 hour - overnight. Use 1 part soy sauce to 3 parts milk.

- Contributed by Megan Flood

The Cheapskates Club

Founder and editor: Cath Armstrong

PO Box 4232 Ringwood Vic 3134

[www.cheapskates.com.au](http://www.cheapskates.com.au)

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Membership enquiries should be directed to The Cheapskates Club, [info@cheapskates.com.au](mailto:info@cheapskates.com.au) or to PO Box 4232 Ringwood Vic 314.

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- [info@cheapskates.com.au](mailto:info@cheapskates.com.au) - [www.cheapskates.com.au](http://www.cheapskates.com.au)