

The Cheapskates Journal February 2010

From Cath's Desk

Hello Cheapskaters,

It's February, the month of love. Or so tradition says. I just love this quote "Money is a lot like love. It's the little things we do every day that add up".

That's the Cheapskates way. There's not one thing we do that saves us lots of time, money and energy so we can live life debt free, cashed up and laughing. But all those little things we do, every day, often without thinking because we've developed some cashed up habits, add up to a lot.

February is also Spending Freeze month (previously known as Essential Spending month). It's the month we can all take a break from shopping and spending and start to build up a Peace of Mind account or an Emergency fund or even give the Payment Push a shove. I hope you'll join in, it's lots of fun and a great way to discover just how much money you really need to live on each month. You can register [here](#).

Our Lifetime membership giveaway ended last night and we received even more entries this year. But we didn't get one from every Platinum member - why not? There were no strings attached, just the opportunity to win a lifetime Platinum membership - no renewals, no expiry ever again as long as the Cheapskates Club exists. Oh well, you'll have to wait until next year now. We'll announce the lucky winner in the March Journal. Good luck to everyone who entered.

We have added something new to the Member's Centre. Each month (starting with this edition) we will run a poll. I am so excited about this; it's something I've wanted for Members for ages. Some of the polls will help us shape future editions of the Journal, and some of them will be just for fun. Either way, as Platinum members you get to vote and see the results. Each poll will run for a month, and once it has closed we will archive the results.

This year we are also hoping to make the Tip Store more fun too. One of the things we would like to do is include more pictures of your tips in action. This means that we need you to send them with your tip. You can send a photo or even a short video. There is a field on the Submit a Tip form that allows you to easily attach an image or video clip with your tip.

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Imagine how neat it would be to see tips in action. And can you imagine how much better the Recipe File would be if the recipes had pictures of the finished dish? Please don't be shy, send us a picture of your recipe and we will happily put it on the page, right next to your recipe.

I can't wait to see what you send me.

Happy Cheapskating,

Cath

February is Spending Freeze Month!

The holidays are over, the kids are back at school and those Christmas bills have started to roll in. How are you going to pay them? Where are you going to find the money? It was a beautiful Christmas and a lovely holiday but now it's time to get back on track and pay up.

This year marks our ninth year of Essential Spending February, the month where non-essential spending has been frozen for 28 days. So that the challenge is a little clearer for novice Cheapskates we have changed the name to February Spending Freeze, but it's the same deal: no non-essential spending for a month.

Cheapskates around the country are rising to the challenge: can they last a 28 day spending freeze? Over the years we have saved thousands of dollars, tried hundreds of new recipes and discovered countless ways to make do, stretch things and create new uses for what we already have without spending.

There are no secrets to a spending freeze. You simply stop spending, although we have elected to allow essential spending because even the most frugal amongst us would have to spend something in a month, we all have bills to be paid.

So in line with our spending freeze you can spend money on essential items such as:

- Rent/mortgage

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- Utilities: gas, electricity, phone, water if the bill is due during the month (but look for ways to lower these bills during the month)
- Food: but shop at home first. Check your pantry, fridge and freezer and menu plan with what you have.
- Medical/pharmacy: don't scrimp on your health – the future cost would be far too great
- Petrol and transport: unless you can walk everywhere you'll need your car. But try to limit how far you go and how often you use it. Carpool if you can, share the school run with another mother, make one trip and do all your errands. Ditto for bus, train and tram. If you have a bike now might be a good time to start riding to work or school.
- Other regular monthly bills you have

You can't spend money on

- magazines
- takeaway meals
- movies
- new clothes
- toys
- DVDs and CDs
- or anything else that isn't essential to living for 28 days.

It's not hard (really) and the results are well worth it. Wasting money with thoughtless spending costs us thousands of dollars a year. This month by taking up the spending freeze challenge you are going to think about your spending and develop a new habit (or two) and in the process save a lot of money. How does \$500 sound? Does \$1000 sound better? Stick to the spending freeze and you could have that much, or more, saved by the end of February. How good would that be?

Think how nice it would be to have that cash at the end of the month to pay off the credit card or the school fees or even the mortgage. How much stress would be relieved if you could do that?

I challenge you to give the February spending freeze a go and see how much you can save. Get the whole family involved and watch the saving mount up.

You'll find plenty of help in the Member's Centre. First off, register so we can keep a track of your savings and so you can join in the discussions with other Cheapskates. The go through the Tip Store, particularly for menu planning ideas. And read Bare Bones Groceries and see how you can feed a family of four for just \$20 a week - three meals a day, with menus, recipes and a shopping list.

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Here are some tips that will make your spending freeze easier:

Register

Register on the Spending Freeze forum and tell us how much you are hoping to not spend. Then keep us up to date with your progress. This is important, we all want to know how well you are doing and if you post regularly you'll be able to see how we are getting on too.

Have a Plan

Planning is the key to surviving and thriving during a spending freeze. Planning your day ensures you cover everything you need to get through: lunches, drinks, having enough petrol in the car. It also gives you time to prepare for those irregular things such as birthday parties and allow you to plan the spending. Planning what you are going to have for dinner the night before removes the takeaway temptation that comes with not having a plan. Planning and knowing what's happening will let you prepare ahead of time and find no spend alternatives to those "spend, spend, spend" situations.

Stop Spending

Seriously, stop spending money - no more clothes, magazines, toys, makeup, computer bits and bobs, shoes etc. For four weeks use your money to pay the essential living expenses (mortgage/rent, utilities, food - bare bones basics, fares/petrol) and see just how much is left over at the end of the month. Then use 50% of that money to pay down debt and 50% to increase (or start) your emergency fund. You must bank the leftover money - it is not saved until it is safely in the bank it is just not spent.

The 10% Grocery Cut

Cut your grocery bill by 10% this week. If you normally spend \$200 a week, this week you are only going to spend \$180. Check what you have on hand before you go shopping (fridge, freezer, pantry) and only buy what you really need rather than what you think you need. Then shop for those things within your new grocery budget. If you come in with an even bigger saving, well done. And don't forget to pay some off debt and put the rest to your emergency account.

To help you with your grocery cut, menu plan with what you have on hand. To help you with this, we have a gorgeous new menu plan/shopping list combo, with the shopping list in the same order as our Grocery Tracking Spreadsheet. This handy tool was designed by one of our long time members Catherine Allan. You can download it [here](#), or find it under Cheapskater Creations on the [Printables page](#).

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Track Your Spending

If you track your spending already, fantastic. Pat yourself on the back. If you don't, start today. Get a notebook (any notebook or piece of paper will do) and write down every cent you spend. Write down what you bought, how much it cost and how you paid for it i.e. cash, credit card, direct debit. Do this for at least the first week, preferably the whole 28 days, so you can see exactly what you are spending your money on.

Good luck with your spending freeze and I can't wait to hear how well you do.

A Thoughtful Moment

God Said No

I asked God to take away my habit.

God said, "No.

It is not for me to take away,
but for you to give it up."

I asked God to make my handicapped child whole.

God said, "No.

His spirit is whole,
his body is only temporary."

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I asked God to grant me patience.

God said, "No. Patience is a by-product of tribulations;
it isn't granted, it is learned."

I asked God to give me happiness..

God said, "No.

I give you blessings;

Happiness is up to you."

I asked God to spare me pain.

God said, "No.

Suffering draws you apart from worldly cares
and brings you closer to me."

I asked God to make my spirit grow.

God said, "No.

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You must grow on your own,
but I will prune you to make you fruitful.”

I asked God for all things
that I might enjoy life.

God said, “No.
I will give you life,
so that you may enjoy all things.”

I asked God to help me love others, as much as He loves me.

God said... “Ahhhh,
finally you have the idea.”

This Thoughtful Moment was contributed by Gloria, Bonnells Bay.

Saving Story

Linda's Story

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A dress bought from a bridal shop as a wedding dress was out of my budget. I walked into a small shop one day looking for ideas and found exactly what I wanted. Here was a cream lace and satin knee length cocktail dress, just perfect. I added cream stockings and slip on flatties to create my 1960's wedding outfit. Material and patterns, combined with the skills and wonders of my maid of honour, and we have two reusable, smart outfits for the attendants. And all for under \$300.

We are to be married in the park on the lake so no expense there. The usual reception venues were out of our price range... the cheapest quote being \$6600 for 60 guests and no drinks or special diet catering. Our home was too small to hold the reception and hiring table and chairs to 'do it ourselves' was just too pricy.

We looked closer to home and found a local, very small restaurant whose management is willing to close the restaurant for the day and give us toasting drinks and special meals for 60 guests at a quarter of the cost of the reception venue.

Decoration will be simple: bonbonnières, contrasting serviettes, and one flowering plant on each table (that we plan on putting into our garden afterwards).

A relative gave the wedding cake to us as a gift and one guest will provide the live entertainment as wedding gift. Photos will be taken by guests on digital cameras and Photoshop will be used to create what we want when we want.

We have deliberately chosen simple, elegant and reusable for our wedding. This has proven to have been the cheapest as well.

Common Grocery Budget Blunders

In the olden days, back before the days of supermarkets, it was common to visit the grocer, butcher and greengrocer three, four or even five times a week to pick up what was needed for just that day and maybe the next. Those were the days when more backyards than not had substantial veggie gardens, convenience foods were not even thought of and every meal was cooked from scratch, using basic ingredients.

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Then supermarkets took over and we started dashing in four or five times a week to pick up just a few things. It was time consuming, but we didn't notice as we were used to shopping that way. We also didn't notice just how much damage it was doing to our budgets, the plan to make us part with more and more of our hard earned cash was insidious.

These days, there are better options than trusting our grocery budget to supermarkets. And with food prices rising every week, even the smallest increase or mistake at the checkout can show up in big red figures on our budgets.

There are some simple things you can do to avoid being caught by the grocery budget blunders, and you'll notice the savings almost immediately.

Blunder No. 1: BRAND LOYALTY

Switching from name brands to generic brands can cut your grocery bill by 40% - 60% without sacrificing quality. In many cases the generic brands contained the name-brand product but with a different label and a lower price. Remember the name brands have to work the high cost of marketing and advertising into the cost of the item. It doesn't hurt to try the generic equivalent of your favourite brand name and if you don't like it you can always switch back. But it does pay to switch for the things you do like, try it and see.

Blunder No. 2: UNIT PRICE BLINDNESS

Most supermarkets and some budget department stores post labels on the shelf that show the item's price and the price per unit—per 100g, per serving, per portion and so forth. Don't assume the larger size is automatically the better deal. Often it's not, but you won't know that if you don't watch the price per unit. Carry your Price book and a small calculator with you and you won't get caught out.

Blunder No. 3: GIVING IN TO TEMPTATION

There's a reason that everyday staples like milk and bread are at the back side of the supermarket. It makes picking up just a bottle of milk and a loaf bread a challenge because you will pass by so many opportunities to pick up other stuff on the way to the milk: the bakery (and doesn't it smell great), the deli with its delectable displays, and aisles full of yummy snacks, biscuits and drinks, etc. All of these temptations are placed deliberately so you are bombarded with them on the way to the milk cabinet. If you're not careful, you'll find yourself picking up all kinds of things you hadn't planned to buy. Everything about a supermarket is designed to facilitate impulse buying. Give yourself a head start by not picking up a basket - if you're only buying a bottle of milk and a loaf of bread you don't need a basket. No basket means nowhere to put those impulse buys and more money in your purse.

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Blunder No. 4: LACK OF A PLAN

Grocery shopping without a list is risky. Your memory isn't as good as you might think. Without a plan you'll buy things because you "might need them" or "because we'll use it anyway" and undoubtedly you'll find yourself coming back for what you forgot—and that starts the mistakes all over again. Write up a shopping list before you leave home and then stick to it as you shop. And no aisle cruising either - if the aisle doesn't hold an item on your list you can skip it.

Blunder No. 5: CHECKOUT DAZE

If you want to save money, keep a close eye on the scanner at the checkout. If the store you shop at adheres to the Supermarket Scanner Code of Practice then watching for errors could put money back into your pocket if your items scan at more than the advertised price. You also need to watch that each item is scanned only once and that any special deal prices (i.e. buy two get one free etc) are applied to your bill. It pays to check your receipt before you leave the store and get any errors corrected straight away.

Blunder No. 6: SHOPPING WITH THE KIDS

Grocery shopping requires concentration: you need to look for the items on your shopping list, compare prices of similar products to get the best price, look for any extra unadvertised specials, then compare unit prices and then to top it off you have to be extra vigilant at the checkout. If you have your children with you this is almost impossible. I know it's hard to shop without them, but try. It will be faster, cheaper and a lot more pleasant if you don't have to keep one eye on the kids and the other on your grocery list.

Hot Stuff - An Old Fashioned Pot Holder

If you like to bake and do a lot of cooking then you need good, thick pot holders. And you need a few of them in different sizes. I have small pot holders, barely big enough to cover my fingers. I have larger ones that cover my hand and wrists and then I have the huge pot holders I use for lifting my large baking dish and biggest casseroles out of the oven.

I love them all, but my very favourites are the handmade, old fashioned ones that have been crocheted out of wool. They are really thick and sturdy but they are attractive too. They are nice enough to have hanging on hooks near the oven and they add to the character of my kitchen.

This retro pot holder is very simple and is a great way to practice crocheting for beginners. It takes a small amount of yarn so it's a great way to use up leftover balls of wool from other projects. You can whip one up in just a couple of evenings in front of the TV!

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Be sure to use pure wool to crochet your pot holder. Pure wool will cope with the heat and if it is accidentally left near or on an open flame it will smoulder, unlike synthetic yarns that will melt and burn or cotton that will burst into flames.

Hot Stuff Pot Holder

You will need:

8 ply wool (make sure it is pure wool, see above)

4mm crochet hook

Instructions:

Make 42 chain.

First row: Skip first three chain (these will form the first bar in the pattern). Half treble into the next chain. Continue to end of row, make two chain. Turn.

Work 27 rows. Cast off, but do not fasten off. Make 7 chain, then 1 double crochet into the cast off stitch, turn. This forms the loop hanger. Work 10 double crochet around the loop, with the last one in the cast off stitch. Fasten off.

Scalloped Edge:

Starting at one corner work 1 double crochet in next chain, 3 treble in next chain, 1 double crochet in next chain, skip next chain. Repeat pattern until last chain before loop. Skip this chain, slip stitch into loop and fasten off.

Using the crochet hook weave ends of thread into pot holder.

Embroidery:

Using a contrasting wool and working in stem stitch or cross stitch, work the words "HOT STUFF" onto centre of pot holder.

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How to Buy Without Cash

It is possible to survive without cash, and I don't mean use a credit card instead! Since the beginning of time mankind has bartered for needs, wants and desires. In fact bartering pre-dates the use of currency!

As the economy tightens more and more people will be looking for creative ways to get what they need and bartering is becoming more and more attractive to cash strapped Australians.

Why Barter?

- To save money, time and energy
- To get the things you need without going over budget
- To get the things you want without going over budget
- To declutter things you no longer need, use or want for things that you do need, use or want
- To pass on older toys for new playthings
- To recycle rather than dump perfectly good and useful things
- To trade things you love doing for jobs you don't like doing

The dictionary defines bartering as "trading goods or services without the exchange of money". As a Cheapskate I love the idea of bartering and have used simple barterers for years.

Casual bartering takes place all over the country every day. Have you ever swapped a basket of veggies for a couple of loaves of fresh bread or some lovely free range eggs? Or done some gardening for a neighbour for a haircut or some sewing? Then you have bartered. Haircuts for sewing, tomatoes for books, homemade pickles and jams for ironing, lawn mowing for babysitting are all trades that have helped us as a family to have what we need or want over the years, without having to take money out of an already tight budget.

Swapping something you don't need (excess garden produce for example) for something you do need (the hems taken up on some new trousers) makes sense. Bartering is simply exchanging goods or services to the value, rather than cash, so the success of your barter relies on you having something people either want or need. It's easy to start bartering - you just have to ask people if they are willing to trade. Get to know them, find out their skills, talents, hobbies and professions and share yours with them and you are bound to find something useful to trade.

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Before you start do some research to find the RRP of the items or skills you are trading. A basket of homegrown veggies may cost \$15, while lawn mowing costs \$40. How are you going to make up the discrepancy? Are you going to give or accept cash or future goods/services to make up the value? Bartering with strangers requires both parties to trust that the other is honest and reliable. Unlike a retail sale, there are no regulations to protect you. If you are not sure about bartering, start with small barterers with people you know (school mums, church friends, neighbours, colleagues). As you become more confident with your bartering partners you'll find yourself opening up to opportunities and the trades will come from all over, often without you asking.

While bartering is looked on as an old-fashioned and simple way of getting what you want, it is fast becoming popular, and not just with the cash-strapped amongst us. Bartering can be useful to just about everyone, try it for yourself and see just how useful trading can be.

Dear Cath

Q. Can you tell me what is the difference between cleaning vinegar and normal white vinegar? The cleaning more expensive vinegar tastes so much weaker than Aldi cheap vinegar, and yet someone told me you have to use so much less of the cleaning vinegar. I would love to know. *Irene*

A. Cleaning vinegar has a slightly different pH and that's it, there is no other difference. Skip the cleaning vinegar and use the cheapest white vinegar you can find, it will do just as good a job and save you money. To use get more out of your vinegar decant half a bottle into another clean bottle and top both up with water. Leave for two weeks and you'll have two bottles of cleaning strength vinegar for the price of one. I've been doing this for years, but I only ever dilute once.

Q. In your book Debt Free, Cashed Up and Laughing you mentioned a free recipe site. Could I have that web address please?

A. There are any number of free recipe web sites. A simple search will bring up thousands and thousands. Some of our member's favourites are:

www.bestrecipes.com.au

www.taste.com.au

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www.sanitarium.com.au

www.cuisine.com.au

Q. Our eldest son starts school soon and we are looking for cheap or cost effective ways to label all his clothes, books, drink bottles etc. There are lots of companies out there with fancy labels but they still cost a bit to get labels for everything. Any ideas? Thanks! *Shelley*

A. Skip the fancy labels and make your own, it's easy. For his clothes, buy some bias binding and a laundry marker. Write his name along the binding, leaving 5cm between each one, with the laundry marker. Cut between each name and you have name tags. Stitch them into his clothing. I know iron-on tags are easier, but they tend to come off in the wash very quickly. Trust me and take the few minutes to stitch them in place.

For his pencils, lunchbox etc. print off a sheet or two of name labels and use sticky tape to attach them to everything. You can print them on coloured paper or add little images to each one, use coloured text and fancy fonts etc.

The alternative is to invest in a labeller and create your own. You can get stick on and iron tape for both Brother and Dymo labellers, in different widths and colours. They are quite expensive, around \$35 - \$40 for a basic model, so unless you are sure you will use it for lots of other things, I'd stick to making your own.

Q. I have just put new carpet in my lounge room and had mats made with the left over carpet. I have bought the non-slip underlay matting (from Bunning) that is supposed to stop the mats from creeping when walked on, but that hasn't helped at all. The mats still 'creep' and don't stay where they are supposed to. Can you help with advice on what I can use that isn't too expensive. Thankyou. *Susan*

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A. Firstly let me say that putting carpet on top of carpet is not a good idea. The backing on the mats will wear the carpet underneath very quickly, even if it is a synthetic or wool/synthetic blend and you will be left with quite obvious wear patches in your carpet. If you still want mats on your carpet, there is a product called Rug-Lock. It is a re-usable, tacky product that you apply to the back of your rugs before positioning. Once they are in position on your floor they will stay in place, but you can lift them to move, clean etc. quite easily. You should be able to get it from Clark Rubber stores.

You can keep your carpets looking good and keep them clean without using mats by taking shoes off before coming inside and only wearing slippers indoors. Regular vacuuming is essential, the average household has around 2 kilos of dirt, dust and rubbish walked in every week. Treat spots and spills as soon as possible and have your carpets professionally cleaned once a year.

Q. I loved the idea of silica packets to protect the Christmas decorations - those desiccant packets will also protect all the stored paper and winter bedding things for the family - no more damp and smelly - so would love to get lots of them. Can you point me in the right direction? Susan

A. I suggest you ask at a camera shop. Photographers use lots of silica gel packets to keep their gear moisture free and most good camera stores will sell silica in at least one form. The most economical way to buy it is in bulk, but remember a little goes a very long way. I would be very surprised if you needed more than 200g - 250g. They may also sell the little packets in bulk quantities. Silica like this isn't exactly cheap, but it's not horrendously expensive either, especially as it lasts for a very long time.

If that fails, ask your chemist if they can get the packs in for you. You may need to explain what it's for, and they should be able to help you.

Or as another alternative, you could contact one of the labs at your closest university and ask them if they could sell you some or give you the name of their supplier.

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On the Menu

Keeping Your Cool with Homemade Ice Cream

If there is one thing summer in Australia is the perfect time for, it's eating ice cream. And it's a good thing our summers are long and hot, because according to a report from IbisWorld we are second only to the United States when it comes to ice cream consumption!

While there are some truly delicious ice creams available, nothing can compare to homemade ice cream. Once taking hours and hours to make, and requiring a churn, lots of salt and tonnes of ice, these days making ice cream is so simple you don't even need an ice cream maker. An electric mixer or stick blender and a freezer are all you need to create your very own frozen ice delight.

Ice Cream Making Tips

*Before starting to make your ice cream, put everything in the fridge for a couple of hours. Having all your utensils and ingredients (apart from the cooked ones if making an egg based ice cream) as cold as possible helps improve the texture of the finished ice cream. Use metal bowls, spoons, whisks and ice cream trays if at all possible.

*The regular stirring for the first hour is important, this helps to make the ice cream smooth and creamy and to break down any ice particles that form. Use a fork to stir the mixture and be sure to stir, and not fold, as you don't want to incorporate any more air into the mixture. Too much air in the ice cream changes the texture from smooth and creamy to a crystal-like texture.

*Storage containers: once the ice cream is frozen it needs to be stored properly. Transfer it to a food-safe container with a good seal and store upside down in the coldest part of the freezer.

*Don't store ice cream uncovered or next to uncovered foods as the flavour may transfer and your ice cream will become unpalatable.

*When adding fruit to ice cream, watch for the water content, as this will affect the end result of your ice cream. Instead of adding lots of fruit, add a small amount and the desired flavouring by way of essence.

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*Homemade ice cream should be allowed to ripen before eating. Ripening is simply hardening to improve the texture of the ice cream which keeps it from melting to fast. To ripen let the ice cream freeze for at least four hours after the final beating before serving.

French Vanilla Ice Cream

Ingredients:

1/2 cup sugar

1/4 t salt

1 cup of milk

3 egg yolks, beaten

1 tbsp vanilla extract

2 cups thickened cream, chilled

Method:

Pour the sugar into a heavy duty saucepan and sprinkle the salt over the sugar.

Add the milk into the saucepan and stir to combine. Add the egg yolks and stir until all the ingredients are combined together well. Place the pan over medium heat and stirring constantly cook 3 minutes or until bubbles begin to appear around the edges.

Remove the pan from the heat and allow the mixture to cool to room temperature.

Stir in the vanilla extract. Pour the ice cream into a refrigerator ice cream tray and place in the freezer for 45 minutes or until mushy. Place 2 bowls in the refrigerator to chill.

Add the cream to the chilled bowl and beat with an electric mixer until soft peaks begin to form. Spoon the partially frozen ice cream mixture into the second chilled bowl. Beat with the mixer on medium speed until smooth. Fold the whipped cream into the mixture, making sure it is well combined. Pour the ice cream evenly into two refrigerator trays and cover with wax paper. Freeze at least 3 hours or until firm stirring the ice cream mixture about every 10 minutes for the first hour of freezing time. Makes 2 litres.

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Quotes of Note

The safe way to double your money is to
fold it over once and put it in your pocket.

~~Frank Hubbard~~

~~~~~

We can tell our values by looking  
at our checkbook stubs.

~~Gloria Steinem~~

~~~~~

It is an unfortunate human failing that a
full pocketbook often groans more loudly
than an empty stomach.

~Franklin Delano Roosevelt~

~~~~~

The real measure of your wealth is  
how much you'd be worth if you lost all your money.

~~Author Unknown~~

~~~~~

There are people who have money
and people who are rich.

~~Coco Chanel~~

~~~~~

Inflation is when you pay fifteen dollars for the  
ten-dollar haircut you used to get for  
five dollars when you had hair.

~~Sam Ewing~~

~~~~~

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A bank is a place that will lend you money
if you can prove that you don't need it.

~~Bob Hope~~

~~~~~

If you think nobody cares if you're alive,  
try missing a couple of car payments.

~~Earl Wilson~~

~~~~~

Budget: a mathematical confirmation
of your suspicions.

~~A.A. Latimer~~

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## **Meet the Bumsteads Part 2**

...Blondie, Dagwood and their children Alexander and Cookie in part two of their yearlong Budget Renovation as they begin their journey to living life debt free, cashed up and laughing - the Cheapskates way

Dear Cath,

We have had some very hot days this month so the air conditioner and the fans have been running almost every day. I'm not looking forward to getting the electricity bill at the end of the month, although it should be partly paid with the automatic payments we have set up.

We have set up automatic payments for the electricity, gas, water and phone with money being moved each pay day into a bill account we have opened and we have arranged to have all the bills direct debited when they are due. I get the bill first so I'll be able to see if there is enough in the

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account to cover them, if not will adjust so each bill is paid on time. We are trying to not have any late fees at all this year.

Blondie gave cookie \$20 and told her she was to buy all her stationery for school with it - she came home with just about everything she needs, and will use some things from last year - she was so proud of her bargain shopping and had a lot of fun going from store to store, comparing prices.

The other thing we have done this month is to change the kid's mobile plans - they are now on a set \$30 credit, good for 12 months. The call/text costs are higher but their phones are supposed to be for emergencies only not socializing. This alone is going to save us \$363 this year! If Alexander or Cookie run out of credit because of using their mobile phone for socializing then we have told them they can top up with their own money. Alexander hasn't used his phone in days!

Alexander picked up a few days casual work labouring for a family friend. It kept him busy, and saved us money as he wasn't going anywhere. When he did go out he used his own money. He's only working during the holidays, we would rather he concentrated on year 12 studies this year. This meant though that he was off kitchen duty, his hours were irregular and often he wasn't home until late.

Cookie picked up the slack though, and we have had some interesting meals. She has raided her mother's recipe books to find dishes she could make with the ingredients in the pantry or fridge. It has helped to cut the grocery bill down although Blondie says she'll need to do a big shop soon as we are running out of quite a few things.

Here's our first weeks' worth of tracking:

Jan 1: No money spent

Jan 2: No money spent

Jan 3: New lap top battery and power supply \$184

Jan 4: \$20 Cookie's school supplies (total was under \$20, we let her keep the change)

Phone/Internet bill \$269.37

Jan 5: Uniform shop \$68

Coles \$179.07

Petrol \$61.15

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Jan 6: No Money Spent

Jan 7: School shoes - \$79.95

School bag \$39.95

Groceries \$62.13

Stationery \$21.27

Mobile top up \$29.00

As you can see we have cut our spending time right back. With everyone home we would normally have had lunches out, and at least two takeaway dinners as well as a few coffees etc. during the week. It actually feels good to not be at the shops all the time and I know Dagwood and I haven't missed the Subway or McDonalds or even the large lattes from Muffin Break. The kids are still complaining about no soft drinks in the house but we are standing firm. It's good for our budget and good for their health.

We have started our Peace of Mind account and an Emergency Fund and they both have some money in them. We can't wait to see what improvements we can make to our finances in the next month, we already feel more confident and in control of our lives and our money. All the receipts, bills etc. we could find are in the twelve envelopes ready for the next step.

Blondie & Dagwood

*Dear Blondie and Dagwood,*

*You are on a roll! Well done with cutting back your time at the shops, it shows in your tracking and you must be feeling very proud.*

*The saving on mobile phone charges is great too. I suggest that you keep paying the \$58 a month into your Peace of Mind account to build it up. Once you have it fully funded you can start putting that money into your Emergency Fund and watch it grow.*

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*I am stunned though at your phone and Internet bill - that's huge! You need to spend some time researching alternate ISPs and plans, there has to be a cheaper option for you. You all have mobile phones and computers so the landline is obsolete. You might like to think about ditching the landline altogether and switching to VOIP for your phone calls if you can't manage to stay under your mobile plan caps. The quality of VOIP systems is improving all the time and you can have a phone, you don't need to just use a computer.*

*This month I would like you to concentrate on getting your Spending Plan up and running. Until you do this your Peace of Mind account and Emergency Fund won't be working to it's full potential, and your Emergency Fund won't grow quickly, and that's something you (or anyone else) just can't afford. Telling you to start an Emergency Fund while you are still in debt sounds like you are doing things backwards, but it's not, trust me!*

*I'd like you to start putting a regular amount each week into your Emergency Fund account. This account needs to be one you don't touch, so I'm hoping you've opened an account that doesn't have cards attached to it. You don't want to be able to get the money on a whim. This is emergency money: it's there to cover unexpected and unplanned for expenses. You should also include this as an expense in your fixed expenses part of your spending plan.*

*Your tasks this month are:*

*Task 1: Work on your Spending Plan.*

*Task 2: Spend some time researching for cheaper telephone and Internet. This is one area you can control, so take a few minutes to look at cheaper options. When you find suppliers that have better deals than you are currently on, pick up the phone and ring them. Ask lots of questions, including minimum contract times (if they are on a contract), any transfer fees (in case you move house), set-up or installation costs (and ask to have them waived if you agree to switch companies), excess download charges (yes, some companies still have them in place) and if there is a charge for having the bill direct debited (and if there is ask to have it waived if you switch). Also get a name and a contact number for the person you speak to and make lots and lots of notes. Ask them to email you variations to their regular contracts that they agree too as well so you have their offer in writing.*

*Happy Cheapskating,*

*Cath*

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## **Holiday Around the World with Free Accommodation**

**Approximate \$ Savings:** \$7000

I organised 4 home exchanges in Europe and Ireland this year on our holiday and saved 7 weeks accommodation which would have cost about \$7000. I used a website called [www.homeforexchange.com](http://www.homeforexchange.com) and sent out lots of emails to potential exchangers. To join the website for 18 months cost me \$72 I started about a year before we left so that I could get to know my fellow exchangers. I found 2 exchanges in Ireland one in Spain and one in the south of France. One exchange was for one week in Ballybunion on the coast of Ireland overlooking the sea and a castle another was for 2 weeks in Cork overlooking the sea in a colourful little Irish village called Allihies. The Spanish exchange was out in the country and while we stayed in their holiday house eating Paella our exchangers parents enjoyed a two week holiday at out house to celebrate their 50th wedding anniversary. The French exchange was in a really pretty area full of small villages and stone buildings and I felt as if I was living in a French Impressionist painting. We enjoyed shopping at the local markets and tasting all that yummy French food. It took quite a bit of organising and I packed up a lot of the house to make room in drawers and wardrobes for our guests. It was a great excuse for a good clean out of the cupboards. My mother was the meet and greet and key person and on hand to help if needed. My Exchangers were all really lovely people and left our house clean and tidy as if they had never been there, and we took care of their houses like they were our own too. The great thing was that we met all our exchangers and made some new friends as well and we would love to have any of them come and visit and stay if they come back to Australia. For the French home exchange we also swapped cars {I cleared it with my insurance company} and that also saved about \$1000 in car rental costs. All in all we have had a wonderful time in Europe and in a couple of years we plan to do it again, perhaps Greece and Amsterdam would be nice.....in fact many people who do home exchange never pay for accommodation again because it becomes a lifestyle. It also opens up the world because you only have to save for the airfare and food money. We saved a fortune on eating out because we cooked a lot of our meals as well. We also had a friend come to stay and enjoy our holiday with us for a couple of weeks.

- Contributed by Vicki, Rye

## **Really Effective Cockroach Trap**

**Approximate \$ Savings:** \$10+

I hate cockroaches, unfortunately I also hate the insecticide that kills them. My daughter gets hives from all those kinds of chemicals, especially organophosphates etc. so this is one tip I learnt while my husband and I were working in west Africa, and there they breed the cockies BIG!!! You need some petroleum jelly (Vaseline), the cocky bait ( like fresh bread, dog food, potato, or fruit), an empty coffee can or some black masking tape and a larger size jar (any small or medium size container that is dark inside will do the job. Using the black tape, wind it around the outside of the jar to make it dark inside if you don't have a can. Inside the container lip smear a generous 5 cm strip

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of petroleum jelly. Put the jar on its side on the floor, insert bait and place a cardboard ramp up to the jar lid so the cocky can climb in. The end of the ramp should sit about 2-3 cm up from the edge of the can so that the cockies can get in but not out. Petroleum jelly is too sticky for them to crawl over. Refresh bait and jelly as necessary. The trap works even better once a couple of cockies have fallen in, all their mates come out to play!!!

- *Contributed by Heather, Clagiraba*

## **Pies in the Sandwich Maker**

**Approximate \$ Savings: \$50**

I have been reading about all the delicious mixtures that can be used for pie fillings for people with pie makers. I have a sandwich toaster, the ones that make square toasties. By cutting a sheet of pastry in half and using one piece in each side of the toaster, adding filling and lapping the pastry over you can achieve the same result. I often make apple pies in this way as well. This is a saving of whatever a pie making machine would cost you and also finding somewhere to store yet another gadget.

- *Contributed by Beverley, Camillo*

## **Flowerpot Under the Sink**

Plug the hole in the bottom of a terra cotta flower pot and use it to hold all your scrub buds, scourers etc. under the sink. The terra cotta absorbs moisture, which will keep your them dry and rust-free.

- *Contributed by Sandra, Blackburn South*

## **Neat Little Storage Containers**

Don't thrown out those little tins that breath mints (such as Jila mints etc) come in once you've finished the mints. They make great storage for facial tissues, bobby pins, loose change and other small items and you can easily slip them in your handbag. They are also great for storing buttons (tape a sample to the front of the tin so you know what's inside), paper clips, push pins etc.

- *Contributed by Julie, Seven Hills*

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## **Fruity Breakfast Cereal on the Cheap**

**Approximate \$ Savings:** Weight for weight - \$1 to \$2 per kg

I took a liking to the Weight Watchers Fruit and Fibre cereal...until I realised how expensive it was. So I resolved to make my own version of it. I bought the ingredients in bulk (from a health food shop called Goodies and Grains) and mixed it myself using two large tubs. These are the proportions I used; you can vary them according to how much/what kind of fruit you prefer. 500g puffed rice, 500g wheat flakes, 500g corn flakes, 500g puffed wheat, 200g wheat bran (the kind that looks like All-Bran), 100g diced dried pawpaw, 150g diced dried apple (buy the rings and cut them up yourself), 100g sultanas. That kind of quantity lasts me and hubby a few months, and tastes so much better than store bought. In fact, a year or two later when I was on the run and had to pick up a bowl of cereal, I was shocked at how insubstantial it was!

- *Contributed by Katie, Brompton*

## **Homemade Carpet Spot Cleaner For short Pile Carpet**

**Approximate \$ Savings:** At least \$6 per bottle

My carpet cleaner generously gave me this tip for cleaning my carpet (short pile) instead of trying to sell me an expensive bottle from his business.

### **Ingredients:**

1L water

3 tsp white vinegar

3 tsp woolmix (any kind)

### **Instructions:**

Mix together and put in a spray bottle and spot clean away!

- *Contributed by Natasha, Mendooran*

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## **Check Pilots to Slash Bill**

**Approximate \$ Savings:** \$50-100

We have a gas heater that has a pilot light as its ignition point. During the warmer months and unless we are going to use the heater we turn the pilot light off. In summer we only pay the fee for having the connection and have no usage costs.

- *Contributed by Janine, Colac*

## **Stocking Fillers That Make Kids and Mum Happy**

I fill my children's Christmas stockings with useful things like novelty toothbrushes and toothpaste, reams of coloured paper, bubbles, play doh, bubble bath. I try and buy for example a large bottle of bubble bath for each of them so three big bottles of bubble bath lasts us the year. I don't give them these types of things during the year so they are a treat at Christmas time. I always check the clearance tables at the supermarkets and departments stores and find I can pick them up cheaply through the year. Their stockings are full and they feel like they have lots of presents and I am happy because most of it is consumables that we use!

- *Contributed by Tanya, Yamba*

## **Losing Weight, Helping Out and Saving Money**

**Approximate \$ Savings:** \$936/year

I have been able to save over \$936 a year by volunteering just two hours of my time each week. I was previously a pay as you go Weight Watchers member, and attended meetings weekly. When I realised I could no longer afford to go, I spoke to the meeting leader, who then asked if I would be interested in volunteering my time in exchange for free membership. I now arrive 45 minutes before the meeting begins to set up tables and chairs and arrange products. I then help out with easy admin duties during the meeting, and then pack up the chairs at the end of the meeting. All up this takes about 2 hours each week, but I now save \$18 a week, which equates to over \$900 a year, and my health gets a boost too! I have made great friends in this group and I look forward to my volunteering time each week as it is a very social event for me. We are always looking for new volunteers to help out, so you can start by heading to the Weight Watchers website and looking for your local meeting. The site is [http://www.weightwatchers.com.au/util/gmf/gmf\\_index.aspx](http://www.weightwatchers.com.au/util/gmf/gmf_index.aspx)

- *Contributed by Sarah, Beenleigh*

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Website: [www.weightwatchers.com.au/util/gmf/gmf\\_index.aspx](http://www.weightwatchers.com.au/util/gmf/gmf_index.aspx)

## **Book Covers Your Kids Will Love**

**Approximate \$ Savings:** \$7 per 5 A4 books

This year due to there being hardly any nice girly contact in our shops & loads of that horrid metallic contact that bubbles & creases no matter how skilled you are, & the cost (about \$3.50 - \$4.80) I decided to look for another alternative. I purchased pretty wrapping paper for under \$2 a roll & a roll of clear contact, also under \$2 a roll. The rolls were much bigger in length than the normal rolls of contact so more books could be done for less, using a patterns my daughter loves and no struggling with horrid bubbly contact as the clear goes on super smooth. It even ends up quicker I found to be covering the books in paper then clear contact, compared to using the horrid metallic contact.

- Contributed by Michelle, Capalaba

## **Sorting the Spare Buttons**

When buying new clothes there is generally a small plastic bag attached with spare buttons, beads, sequins etc. When there is a need to use these it is time consuming to find the spare you want as many are similar. I now attach the sales ticket off the garment to the bag as this usually has a description of the garment on it.

- *Contributed by Mary, Netley*

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The Cheapskates Journal is the monthly ezine produced by The Cheapskates Club for its members. This ezine is produced 12 times a year by The Cheapskates Club.

# The Cheapskates Journal February 2010

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