

# Incentive Saver Newsletter

## August 2024



Our merry bunch consist of 33 active savers and one large savings group - very exciting. The savings group are joining together for a series of 8 sessions. Their aim is to widen their money knowledge and share this learning with the wider whanau. I love it when I hear money topics are being included in lunchtime discussions.



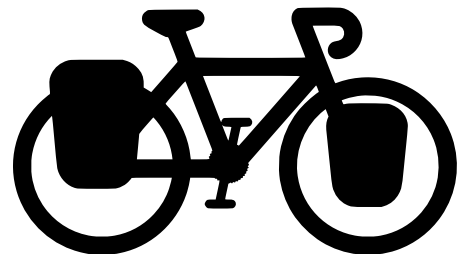
As mentioned the Incentive Saver scheme is at capacity for 2024 but will be definitely continuing next year.

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**On Holiday** Just a heads up that my husband and I will be off to France for a month in September. Now before it sounds too romantic there are bikes, hills and a tent involved!

How do we afford it? By doing exactly what you folk are doing

1. **Goal** – Having a goal that's big enough and important enough to stick to. Richard and I love cycling (I may have to remind myself of that as we pedal up a big hill or cycle in the rain) and we want to do it while we still physically can.
2. **A Plan:** Our adult son pays \$150 board a week and we have saved that in a separate account for the last couple of years.



I'm letting you know well in advance so that if anyone was planning to get in touch/wanted a session then you've got this month to do so.

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## Money Matters Talks (Arranged in conjunction with Shirley Community)

**Topic: BNPL /Afterpay: Edward** from Community Law is coming to help us understand the ins and outs of these popular schemes. Bring along any questions you have.

**When:** Wednesday 14 August

**Where:** Park Centre The room behind the Shirley Community Café at 17 Acheson St Shirley.

**Time:** 10.00am Morning tea then talk.

### Upcoming Sessions

Wednesday 11<sup>th</sup> September – Health Topic

*Note: If you're an Incentive Saver then attending a talk counts as a session*



## Aratupu Preschool Money Chats – around 9am

### Dates:

1. 6<sup>th</sup> August Topic: *Money Saving Mindset*
2. 3<sup>rd</sup> September
3. 5<sup>th</sup> November



## Newsletter Topic – Children and Money

*It's better to have a hard day as a disappointed 8yr old than to have a hard life as a 45yr old chronic overspending buried under mounds of debt.* David Ramsey



What is it that you want to teach your children about money? My parents taught us was that we had to work for money. Growing up I had jobs like painting for my father, working at the Karitane Nurses home as a kitchen help, spending a summer pumping petrol and rolling ice creams at the Arthurs Pass shop, nurse aiding plus many more. My worst job was a summer in a commercial laundry (never clock watched so much in my life). Later I went on to become a teacher.

Working is a lesson I hope I have passed on to my sons. I also want them to know they can grow their money though saving and investing.

### As a financial mentor I'd want children to know.

- Money comes from working. After that you save/invest and make the money work for you.
- Don't spend more than you earn
- You can't have it all – you have to make choices.
- Avoid debt – you want interest being paid to you not making someone else rich.



### As a financial mentor I'd want parents to know

- Use real cash when they are young (sorry I know it's a pain) It's hard for young children to get a sense of what money is when they can't see and touch it. It's also pretty obvious when the money jar is empty!

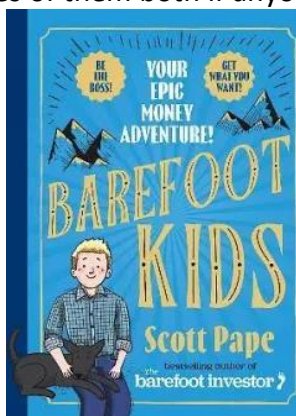
- Start with a simple Save /Spend jar then move into bank accounts. Add a Grow account as they become teenagers/start work



- Let them be responsible for their money. Build on this responsibility. Let them make choices. Funny how it's easier to spend your parent's money than you own (plus it means you don't have to deal with constant requests for money)
- Let them make mistakes. The older you get the more expensive the mistakes. Don't rescue them! Support them to get out of situations themselves.
- Be generous with praise not money. When they are saving towards a goal ie a toy they want – don't give them money to get them over the finish line. It takes away their sense of achievement and that is a powerful feeling.

Meanwhile the best book I've found for parents to help their children with money is [Barefoot Investor for Families](#) and for children 8+ [Barefoot Kids](#).

I have copies of them both if anyone wants to borrow them. Available at libraries.



Next newsletter – I'll include some practical tips for children and money.

## Snippets

**Zero Budgeting** – a term you may hear floating around. This simply means for a set period i.e. a month your income minus your expenses equals zero. Every dollar within that month has a purpose, job or goal. Everything you give, save or spend is *pre-determined*. You then start again following month.

*Linda: Given life happens I personally would rather manage my money with my current account set up which gives me continuity and flexibility. However – we are individuals and it's about what works for you.*

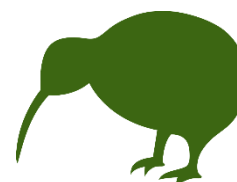


**Debt Free** If you found the information about debt in the June newsletter useful you may enjoy listening to Ruth The Happy Saver podcast <https://www.thehappysaver.com/podcast/part-5-debt-free>



**Kiwisaver** I have written quite a bit about Kiwisaver in the past so I'll restrain myself this year. However you should have received your annual statements. This will show

- Opening balance
- Closing balance
- The total amount your Kiwisaver has grown in the last year
- Your estimated account balance when you turn 65
- Total fees paid.
- Total tax paid
- What type of fund you are in i.e. balanced, growth
- What money has gone in and out of your account i.e. your contributions, your employers' contributions, government contributions.



If you're curious to compare your Kiwisaver providers fees and returns then jump onto Sorted Smart Investor. It's a great starting place. <https://smartinvestor.sorted.org.nz/>

**COVID Rat Tests** are now free until 30 September from participating chemists.

## Resources

**ZERO DATA No data? No problem.** (Thanks Bridget for the tip)

Zero Data is now available to anyone who has no or is running low on data on their mobile phone. Through Zero Data New Zealanders can now access websites for health, social services, education, housing and more for free from your smartphone.



If you don't have credit all you need to do is turn on your data and visit [www.zero.govt.nz](http://www.zero.govt.nz)

**Cheap Meal Planner** If you're someone who wants a weekly (budget focussed) meal plan all ready to go here it is. This one featured on the Thrift podcast series.

<https://kiwiconsumption.blogspot.com/>



# Happy Saving!

Thank you also to those of you who spread the word about Incentive Saver amongst family, friends and clients.

If you are interested to know more about the Incentive Saver scheme or want your name added to the newsletter list just send me an email

Linda Smith Financial Mentor [lindas@mmsi.or.nz](mailto:lindas@mmsi.or.nz)

If you no longer wish to receive newsletters from me please reply with "unsubscribe" in the subject line.

## NEWSLETTER LINK

There is now a link to all newsletters on CMM website <https://www.mmsi.org.nz/What-We-Do/Work-with-Adults-Parents-Whanau/>