

INCENTIVE SAVER NEWSLETTER



AUGUST 2025

I've been reading the popular book **Atomic Habits** by James Clear. I think it has a lot of relevance for us as savers. The book looks at how to create good habits. Sometimes just wanting to do something might not be enough to get us started or keep us going.

For those who don't have the time or aren't keen readers I'm going to include some of his key messages in this and the following newsletters.

Incentive Savers	Current 30	Finished 67
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Our Latest Finishers

Carol: Save a small amount regularly in a separate account and DON'T TOUCH IT!



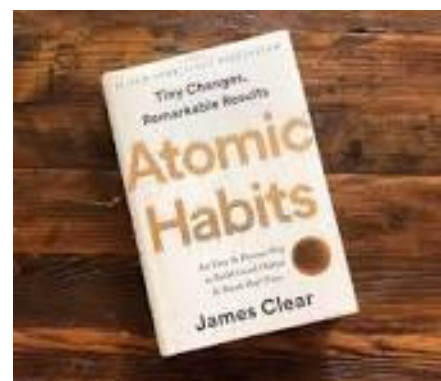
Olivia: I saw it as a challenge and I believed I could do it. This belief increased over the six months.

Motutala: Start saving small amounts that you can afford and it can get you started on your savings journey. Challenge yourself at \$20p/w. Its worth it!

Atomic Habits

Key points

- With the same habits you end up with the same results. But with better habits anything is possible.
- If your spending habits don't change it's not going to end well. If you're broke but save a little bit each month then you're on the path to financial freedom. Good habits make time your ally (friend). Bad habits make time your enemy.



- Changes that seem small and unimportant at first will compound into remarkable results if you're willing to stick with them for years.

Incentive Saver – the **atomic change** is setting aside a small amount of money each week/fortnight. You don't have to do anything else.



Habits often appear to make no difference until you cross a critical threshold. It's frustrating to see no progress. It doesn't feel like you are going anywhere. This is one of the core reasons why it is so hard to build habits that last. People make a few small changes, fail to see a result and decide to stop.

Doing it Differently

1. Savers often comment how once they see the money building up it's easier to keep going.
2. Get instant reward for your sacrifice – Label your account with your goal i.e. Holiday. When you skip your morning coffee immediately put \$6 into account, didn't get takeaways, put \$25 into account, stop subscription, put \$10 into account. Sit back and watch that account grow!



Newsletter Topic - Depositor Compensation Scheme

New \$100K protection

What is it? The scheme will offer up to \$100,000 protection per person, per institution, for money in transaction accounts, savings and notice accounts and term deposits.

Why was it set up? To help people who have money with a bank or other deposit taker which fails.



What organisations does it cover? About 30 organisations are listed by the Reserve Bank as being covered. This includes banks, finance companies, building societies and credit unions. <https://www.rbnz.govt.nz/regulation-and-supervision/cross-sector-oversight/registers-of-entities-we-regulate/deposit-takers-that-offer-dcs-protected-deposits>

If it's \$100k per person per deposit taker, am I better to spread my money? If you have accounts with a number of different banks or financial institutions, you'd be entitled to compensation in each. Someone with \$100,000 in savings accounts at two banks, for example, could be compensated for the full \$200,000 in the unlikely event that both banks failed. But someone with \$200,000 in one bank would only be entitled to compensation for \$100,000.

Does it apply to KiwiSaver? No. KiwiSaver funds are held in trust. If your Kiwisaver provider failed your funds would be transferred to another Kiwisaver provider.

What about kids' accounts? Children are covered as well and entitled to their own \$100,000 coverage limit, if their accounts are in their own name. If they're in the name of the parent, then they count towards the parent's \$100,000.

What do I have to do to be covered? Nothing. From Tuesday, July 1 the accounts you have that are captured by the scheme will be automatically covered.

Snippets

Aratupu Preschool Money Chats – Around 9am

Dates:

- Tuesday 5th August **Investing for Beginners**
- Tuesday 2 September **Children and Chores** TBC

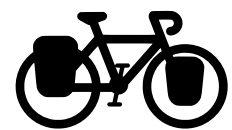


Resources

1. <https://lovefoodhatewaste.co.nz/> Lots of yummy recipes
2. **Frances Cook** is a self-described reformed money mess. She is known for her blog/book **Cooking the Books**. Here is her latest blog series <https://www.francescook.co.nz/making-cents>



Heads up – I'm away mid Sept – mid Oct so get in touch if you're wanting a session before then.



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 us an email

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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/>