

Overspent

*10 signs that we are overspent not
underspent*

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Welcome

Hello. I'm Rachel.

Welcome to the third of my three free e-books.

On New Year's Eve 2012, I decided to quit shopping. I pledged and promised to buy nothing new or second hand for one whole year (2013).

I failed.

I saw buying nothing as a hardship filled with doom and gloom, like a year of punishment. 'Negativity creates negativity'—my year of no buying lasted just four months.

In 2014, I tried again.

Second time around, I saw buying nothing new or second-hand for a year as an exciting opportunity, an adventure and a whole new way to live my life—a lifestyle experiment.

Positive thinking creates positive experiences. I succeeded.

I didn't buy anything new or second-hand for one year.

I quit shopping for 365 days.

It was one of the best years of my life. I saved 38 per cent of my net annual salary and I didn't dramatically change my life to do it.

I am the Author of *Underspent - How I Broke My Shopping Addiction and Buying Habit*.

As proudly seen in:



ABC
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Who this book is for

I've written this book because I want to share why we are overspent not underspent and because I want to share some top tips on how to change your spending to transform your savings.

I love being Underspent not Overspent because life is stress-free when you are debt-free.

That in mind, this book is for men and women who want to:

- change their spending and transform their savings
- pay off their credit card debts
- pay off their mortgage
- be debt-free
- save money
- have cash in the bank

Let's get into it!

Overspent and losing everything

I've spent the last 2 years talking to 'ordinary' Australian, American and British men and women. People like you and me.

I've listened to their heart breaking stories of being overspent and then losing their job, losing their house, losing their car, losing their husband/wife. Losing everything.

I'm indebted to those who were courageous enough to share their story.

"Everything was perfect until my husband asked for a divorce. We had a beautiful home, brand new cars and I had a wardrobe full of amazing clothes. We sold the family house but were left with masses of debt. I'm a 46 year old woman with no skills to get a decent paid job. I'm living in a rental house that I hate, borrowing money from friends and struggling to make ends meet"

Female, aged 46 in Australia

"One of my biggest regrets in life is not taking any responsibility for my own life. My marriage ended and I was made redundant in a period of three months. I didn't expect either to ever happen. I guess I had ignored the warning signs at work and at home. We were up to our necks in debt and credit card debts and loans. I literally sat day after day for eight months in my rental unit

wondering what I was going to do with the rest of my life. My confidence was completely and utterly shattered and my life was and still is a total mess. I didn't ever think I'd end up so lost and confused. I wish I had taken more or at least some responsibility for my life and money. I wish that I saved money. I wish I had saved money rather than constantly buying stuff I couldn't afford. I wish that I had not had so many credit cards. I can honestly say I not happy at all with my life. I am lonely, depressed and constantly sick"

Male, aged 47 Queensland, Australia

My story

It's tough out there.

I know.

On Monday the 7th of December 2015, my role was made redundant. It was a huge shock

I was lucky. I was underspent, not overspent.

When my role was made redundant I had two years' worth of salary, as cash, sitting in the bank.

Moreover, I'd spent over two years and more than \$20,000 of my hard-earned personal savings consciously and subconsciously getting prepared for redundancy— mentally, financially and professionally. That's another of my paperback books *Ready for Redundancy; 14 steps to prepare yourself mentally, financially and professionally.*

So many men and women tell me that they are living off credit cards and personal loans, working 'flat out' but constantly struggling to make ends meet, worried about how they will afford to pay household bills and scared about how they'll cope financially in retirement.

They are overspent not underspent.

They are not living the life that they'd expected.

Men and women in their 30's, 40's and 50's tell me that the one thing that would change their life the most is paying off their mortgage and owning their family home outright.

Being mortgage-free and debt-free is life changing

Do you want to be mortgage-free?

Do you want to be debt-free?

The benefits of being underspent not overspent

The benefits of being underspent not overspent can include:

- paying off credit card debts
- paying off the mortgage
- being debt-free
- saving money
- having cash in the bank
- no struggling to make ends meet
- no stress and worry

I didn't buy anything new or second-hand in 2014.

I quit shopping for 365 days.

I saved a staggering 38% of my annual take-home salary without dramatically change my life.

Do you want to break your impulse shopping addiction and habit of buying 'stuff', without dramatically changing your life?

Do you want to save money?

Do you want to be Underspent, not overspent?

Do you want to feel happier and more content?

10 signs that you're overspent not underspent

I've spoken to thousands of men and women in Australia, UK and USA over the last 12 months about their money, savings and debt. Most people are struggling to get by, even if their definition of struggling seems outrageous to others.

Helen, a well-paid public servant and her construction worker husband have never paid rent or had a mortgage – he inherited a house soon after graduating from university – and they can't afford to pay their electricity bill or their council rates. They do however love indulging in month long overseas holidays, new cars, multiple take away coffees each day and a monthly weekend away. They're not alone. Damien, a government worker told me he's constantly worried about money and always anxious when utility bills arrive.

I suspect, from what I've heard, that most people, even the well-educated middle classes, are just one pay day away from disaster. So, what are the 10 signs you're Overspent not Underspent?

1. You don't save 20% of what you earn.

You probably don't save any money. For me, saving 20% – 25% of every cent I earn is a non-negotiable. Why? Because the world is changing. Governments are receiving less tax and 49% of jobs are at risk of digital

disruption. No one really knows what the future holds. There's never been a more important time to start saving money.

2. You don't have a budget.

I'm never ever overspent because I have a monthly budget and 11 bank accounts at the HSBC.

I have one account for the mortgage, one for food shopping, one for utility bills, one for car expenses... you get the picture! I call it the electronic jam jar system. It works.

3. You love credit cards, store cards, interest-free shopping and easy credit.

Did you know that 60% of Aussies, Americans and Brits can't afford to pay their credit card bills?

4. You've not yet done a financial reality check.

Perhaps you are too scared to check your financial reality?

Do you know how much you spend?

5. You've got lots of personal debt.

The average Australian adult has \$32,000 in personal debt: \$16,000 in car loans, \$12,000 in personal or pay day loans and \$4,000 in credit card debt. It may shock you that the average Aussie earns around \$67,000 which means the debt to earnings ratio is REALLY out of balance.

6. You borrow from friends and family.

40% of adults borrow from friends, family and pay day loans each and every month just to 'get by'. By 'getting by' I mean food shopping and utility bills.

7. You love shopping.

You don't use up the 'stuff' you've already got, you just buy more. You don't wear the clothes you already have, you go and buy more.

8. Everything you own is getting bigger and better.

You've just bought the all singing all dancing LED, LCD, OLED, 3D, high definition pixel, super powered, extreme colour, snow traction system, stability control, ultra-thin giant sized smart TV. You can't afford it. You don't need it. But... it is bigger, better and shiner than the next door neighbours TV!

9. You love to gloat.

Do you buy things to impress people you don't even like?

Let face it, there's no point in buying that brand new sports car, the designer handbag or the expensive boat you don't even know how to sail if you're not going to share it on Gloatbook...

10. You've not yet read my book Underspent.

I didn't buy anything new or 2nd hand during 2014 and saved 38% of my take-home salary (yes that was a lot of money saved). I changed my spending and transformed my savings without dramatically changing my life. I now help men and women change their spending to transform their savings.

Action 1. What's your why?

What's your why?

Why do you want to be underspent not overspent?

Why do you want to be mortgage-free?

Why do you want to be debt-free?

What's your big dream?

Action 2. Your last shopping spree

Think about the last time you went on a shopping spree (at the shops or online). Ask yourself these six questions and place answers in the spaces below.

1. How long did my spree last?

2. What was the day and time?

3. How much cash and how many credit cards did I take with me?

4. Did I take a shopping list? If not, why not?

5. What did I buy?

6. How much money did I spend?

Action 3. Reflections

Reflect on the answers from Activity 1, and then yourself these four questions:

1. Were the purchases planned or unplanned? Why? How?

2. Were these purchases necessary or unnecessary? Why? How?

3. Did I spend more or less than I had planned to spend? Why? How?

4. Am I overspent or underspent?

Action 4. How much do you actually spend?

For the following week, keep a shopping, buying and money diary. Write down information about every single item that you buy, and the price, and record the following:

1. The time of day that I went shopping
2. What I went to the shops to buy
3. Why I went shopping
4. What I actually bought and arrived home with

Monday

Tuesday

Wednesday

Thursday

Friday

Saturday

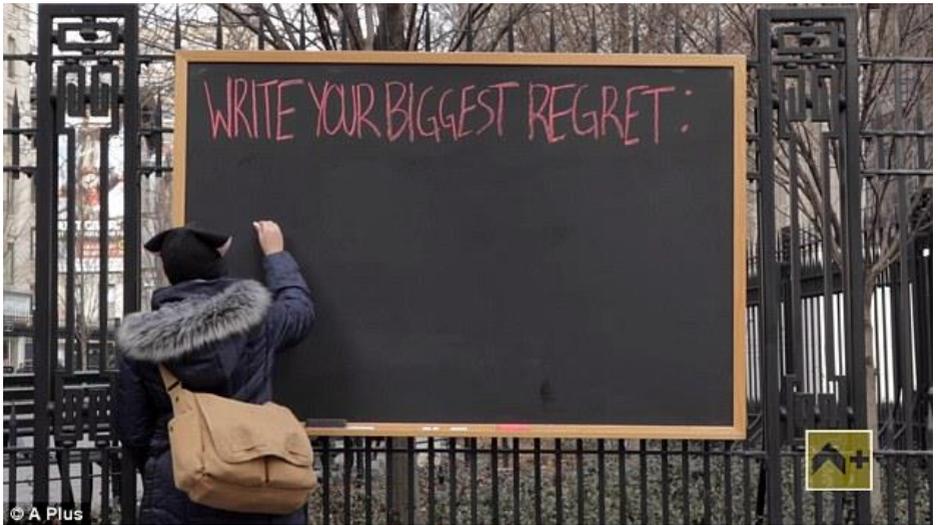
Sunday

Final thoughts... Are overspent or underspent?

Action 5. What do you regret?

If you are overspent, not underspent, do you have any regrets?

Earlier this year, a chalkboard stood in the idle of New York asking passers-by to write down their biggest regrets.



New Yorkers revealed their biggest regrets to the world by writing them on a chalkboard posted in the street. These New Yorkers opened up the most intimate parts of their lives to the world.

As the board filled up, it became obvious that all of the responses had ONE thing in common.

People regretted NOT doing something.

They regretted not...

Please stay in touch...

I'm sharing a range of free e-books.

I share top tips and information on my website and through my social media channels on a weekly basis.

I have heaps of free resources, checklists and templates on my website.

And please share YOUR story and your Underspent successes. I can't wait to hear from you.

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Rachel Smith (CyclingRachel Smith).

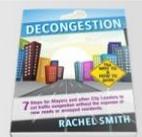


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<http://linkd.in/1L5zA6n>

RACHEL SMITH



Feel you need extra help or support?

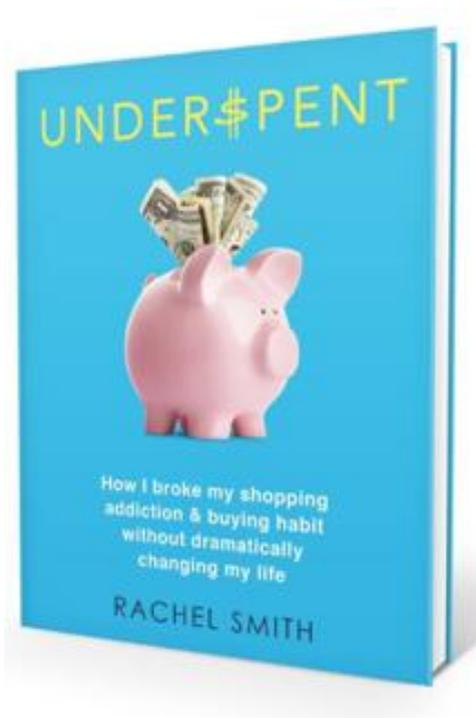
I offer a range of large group, small-group, personalised and one-to-one products and services, including:

- 3-hour Underspent Implementation Master Class
- 1-hour Underspent talk and information session at workplaces
- 21-day and 6 week on-line Underspent programs
- Underspent immersion program
- One-to-one face-to-face help, coaching and advice

I'm currently working on a program for schools.

Drop me a line at rachel@cyclingrachelsmith.com

Also by Rachel Smith



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OR

Buy the e-book or Kindle formats. Price AUD\$2.99 or £1.92

I've intentionally made it inexpensive, so that even the people with the smallest budgets can afford to buy it.

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