

How To Be Rich Today

(First UK Edition)

Introduction

A few years ago, I lived my life in a permanent, deep sense of regret. I constantly felt that I had taken a wrong turn and was now on the wrong path. My friends didn't understand, because I lived in a big, posh farmhouse, wore a Rolex, had my own business, and seemed to live a rich life.

But underneath I knew otherwise. My life wasn't rich. It was empty, and I didn't know why. There was just something **missing**.

These days I earn a fraction of what I used to earn before. I have no savings. But life is truly rich.

I found what I was missing: **time**, and someone I wanted to share it with.

Over the past few years, I have explored and discovered what really makes me happy. I'm not talking about just getting a short-term buzz, but living each day in a glow of true, deep contentment.

Why am I telling you this?

If you also feel that pang of being unsatisfied, deep-down, an unfillable void, I want you to know that truly rich living is within your reach.

This book is about being rich. At a superficial level, it might seem to be all about money, but it isn't. True wealth isn't about money. It's really about time.

So many people today are cash-rich but time-poor. That's really an excuse, because time is far more important and valuable than money.

Time-poor = Poor

Time is the one thing you can't buy. When it's gone, it's gone. And nothing can replace it.

Most of us just don't have enough time. And the less spare time we have, the more precious that time becomes. We're trying to fit all the things that really matter to us into fewer and fewer hours. And guess what, they don't fit! It's all because our thinking about wealth is messed up. That's really what this book is trying to help resolve.

Here's another major realisation...

**It takes less time to save money
than it does to make more money**

I wrote this book to help you transform your life, enjoy more wealth, and live more richly. Not just in theory - for real! Not some day - right now!

This is a practical book, full of things you can start to put into action **today**. Some of the steps I recommend are big and bold, others are modest, but I offer them all in a spirit of hope in positive change. It's down to you to choose what works for you and how you wish to live your life.

I believe that nearly everyone in the UK is already rich. Most of us already have all the money we need - and more. If you can afford a mobile phone, TV on subscription, and takeaway food - you're already rich, you just don't know it. Any poverty you may be experiencing is a temporary illusion.

We are part of a game that **prevents us from realising we're rich**.

And it's a game that the vast majority of us can never win.

"Advertising has us chasing cars and clothes, working jobs we hate so we can buy shit we don't need... We've all been raised on television to believe that one day we'd all be millionaires, and movie gods, and rock stars. But we won't. And we're slowly learning that fact. And we're very, very pissed off."

Tyler Durden, Fight Club

We can't win the game because we don't understand the rules. When you really get how the game works, you realise you've been playing it badly all along.

The system we live in wants us to spend all our money. It constantly invents new ways to spend more, because that's what feeds the economy and keeps it growing.

Surely, we all want a growing economy, right? More and more money gushing round the system? If you believe reports that we're already consuming this planet's natural resources at a rate that's 50% higher than it can currently sustain ([ref](#)), maybe further expansion of human activity doesn't seem like such a smart move.

In the game, it is automatically assumed that everyone wants to earn as much as possible. The game depends on the majority agreeing on that. We're trained from an early age to think that the way to enjoy life more is **to earn more**.

In my experience, the **opposite is true**.

I used to earn a lot of money (around £100,000 per year, putting my family in the top 5% in the UK). I seemed to be playing the game well, according to the rules. You would assume I felt rich and happy.

I didn't. I was constantly in debt, and depressed. I would regularly leave for work before 7am, travelling over two hours to get to my desk, and two hours back. I got home too exhausted to enjoy my evenings, and my weekends were equally tiring.

What was I doing wrong? I was **winning** the game - surely!

“It is not the man who has too little, but the man who craves more, that is poor.”

Seneca (4 BC – 65 AD)

Fast-forward ten years, and our family income is less than half what it was back then. But here's the news... I'm richer now than I was when I was earning much more! Over the past year, I have pulled apart the rules of the game, and I've come to an astonishing conclusion...

Earning more can actually make you poorer!

I don't mean that in an airy-fairy metaphysical way: it's demonstrably true in a nuts-and-bolts financial sense. What's more, not only is this game set up to be unwinnable, but even playing it is **not good for you**.

I wonder if (like me just a few years ago) you know deep-down that...

- You're not as happy or as healthy as you want to be;
- You don't spend as much time with the people you love as you would like, or they would like;
- There's an anxiety in your soul;
- And you really should be living a more sustainable lifestyle.

You care about all those things, but you excuse them. Life gets in the way. You have to get that next job. There just aren't enough hours in the day. If you didn't do all the hard work you do, everything would come crashing down around you.

Well, this book is your step-by-step guide to changing all that. You're about to discover how you can take significant steps that will restore the balance you yearn for.

Starting now. Today.

As we shine a light on the microeconomics of modern life, you can immediately start making simple changes that will allow you break out of the game and live a far richer life.

This book is not about becoming rich by **getting more money**. There are already enough books about that, and it's rat race thinking. “If my expenditure matches or exceeds my income, I need more income!”

Let's hold that idea up to scrutiny and ask:

- What if the **opposite** is true?
- What if we're **already rich**?
- What if we're just being fooled into believing that getting more is the path to happiness and success?

“How to be Rich Today” is about discovering and learning to enjoy **the richness you already have**, exercising your right not to take part in the rat race, and instead choosing the rules for your amazing new life.

It certainly isn't saying you have to go without, return to old-fashioned "good life" subsistence living, or become a hairy hippy-dippy smallholder... although there are elements of those lifestyles that you're free to choose.

Rather, it's really just about empowering you to choose, so that you can **change any areas of your life that don't work for you**. Instead of mindlessly following the crowd and spending your hard-earned cash on stuff that doesn't really make you happy, I'm going to show you how you can **positively choose** which luxuries you really want, and get far more enjoyment from them.

The moment you realise and accept that you already have all the money you need to live a full life, you're rich!

Isn't your life already full of luxuries that previous generations never dreamed of? We enjoy a higher standard of living than was possible even for kings and queens just a few generations ago!

Nearly everything you'll read in this book comes directly from practical experience. I'm no economist, I'm a web designer by trade, and my partner Sally quit her job after 20 years as a bank manager to help local small businesses market themselves better. Compared to most other people in this country, our family doesn't have very much money. But we consider ourselves rich.

Let's Redefine Richness

The graph below shows where our family's income sits alongside the rest of UK households. That black bar is us.

1 I live in a home as

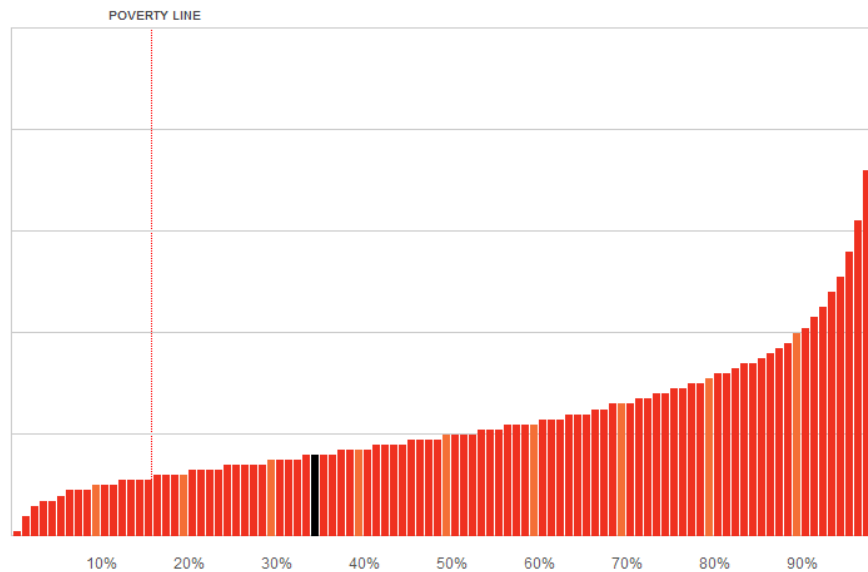
2 I have under 14 years old

3 I have over 14 years old

4 After tax my annual household income is

35%
 HAVE A LOWER INCOME THAN YOU
 You are in the **squeezed middle**:
 income levels have not risen
 significantly and you're feeling the
 pinch

[Tweet](#) *This will tweet your category
but NOT your income*



According to the chart above, almost two thirds of British families like ours are better off than we are, on paper. We are not even that far from the official poverty line, **but we've never felt richer.**

Let's change the idea that richness is a measure of **how much you spend**. (Hey, surely the more you spend, the less money you have!) I know plenty of people who spend a lot and OWE a lot. They may seem well-off, but they're burdened with debt, tied to their jobs, and can't do whatever they want. That's not rich in my book.

Money is really just potential. It has the potential to buy goods and belongings. It has the potential to take you to new places. And you can invest it in all kinds of things.

The path to happiness lies in how we choose to use the money we have.

The more money you have coming in, in theory, the more possibilities you have in life. But that is not the case for most of us. I have many more possibilities now than I did when I earned far more. Why? Because I have time and freedom. **I don't need to buy freedom.**

**For me, richness means
 I can DO what I want to DO
 Not HAVE everything I want to HAVE**

So I feel rich when I...

- Have lots of hugs every day with my lover.
- Eat well.
- Enjoy quality family time, nature and fresh air.
- Am able to take a break any time I want.
- Am able to take a day off any time I want.
- And have the freedom to work or play in the sunshine any time the sun is out.

But, that's me, and this book is really about **you**.

So ask yourself: What does richness mean **to you**? What would be on your list?

The Rat Race

Let's paint a picture of what life is like for most of us today. How much of this is familiar?

The weekly race starts when we all get in our cars early in the morning, commute, coffee, desk, email, grab a sandwich for lunch, work late, trying to get promotion or a new job so we can get more money.

Because there isn't enough time, you might pay someone to take care of your kids, someone else to clean your house, and even someone to walk your dog.

And because there aren't enough hours in the day, in order to move up the ladder you start even earlier, chugging coffee to keep your body near the red line all day.

If you can make time, you squeeze in an hour at the gym.

Then you get home knackered, eat something that's quick to make and comforting, and "need" a bottle of wine to relax your buzzing body, to try to wind down from the stresses of the day.

When the weekend comes, when your body and mind are really crying out for rest, you have a list of things to do: laundry, mowing lawns, supermarket shop, repairs... And all those things now occur to you as "chores".

So you go on killing yourself working long hours, so that you can go on holiday for 2 weeks (at peak times and paying premium prices), where you fry yourself in the sun, spending the first half of the holiday recovering from exhaustion and the rest worrying about going back to work.

You spend this precious fortnight dreaming about a life where every day is relaxing and enjoyable, and it leaves you with a sickening feeling of regret and loss.

At the end of the month, all the money you brought home has somehow gone, and that credit card balance is no lower.

You say to yourself, "This isn't right. I earn all this money! How can I get a better-paying job?"

All this time, you're fantasising about a future where you'll be able to do what you **really** want: write, paint, travel, play more sport, garden, hike or ride or climb mountains. You're now waiting for retirement so that you can enjoy the fruits of your labour.

When you do retire, if you're lucky you'll still be healthy enough finally to enjoy yourself. If you're one of the lucky ones who survived the rat race and stay healthy, you'll have a couple of decades to enjoy the wealth you've amassed. Maybe you'll sell the house you've been paying off for the past 30 years. Maybe you'll buy that sports car you've always dreamed of. Or, if you're less lucky, your wealth may go towards paying for doctors, hip replacements, and nursing home costs.

If you recognise yourself in this picture, how has it worked out so far? And where is it heading?

Can You Win The Rat Race?

Let's say that you're one of the movie stars, footballers, or rock stars who do actually have enough money that they can buy all the shit they want. Let's say you win the game, maybe with a big lottery payout... What do you actually win? If you like, spend ten minutes searching the web for the personal stories of lottery winners. It makes sobering reading.

Very few of us have the talent (or the balls) to become pop stars, football stars, or successful entrepreneurs. Instead, we buy lottery tickets, watch TV programmes about celebrities and buy gossip magazines so we can briefly feel a little bit better about our lives when they mess up.

It seems to me that it is extremely unlikely that any of us will get rich in the rat race, so shall we get on with the stuff we can really make a difference about? (Anyway, as the old saying goes, "Even if you win the rat race, you're still a rat.")

You know, the worst thing you can do is to **play the game badly**, which is what most people do: Follow the herd, work long hours, borrow and then borrow again, living in constant physical and spiritual tiredness and stress.

Irvine Welch describes the rat race game so elegantly:

Choose life. Choose a job. Choose a career. Choose a family. Choose a fucking big television. Choose washing machines, cars, compact disc players, and electrical tin can openers. Choose good health, low cholesterol and dental insurance. Choose fixed-interest mortgage repayments. Choose a starter home. Choose your friends. Choose leisurewear and matching luggage. Choose a three piece suite on hire purchase in a range of fucking fabrics. Choose DIY and wondering who the fuck you are on a Sunday morning. Choose sitting on that couch watching mind-numbing spirit-crushing game shows, stuffing fucking junk food into your mouth. Choose rotting away at the end of it all, pissing your last in a miserable home, nothing more than an embarrassment to the selfish, fucked-up brats you have spawned to replace yourself.

Trainspotting

Are you ready to accept that maybe the rat race isn't for you? Are you ready to pull back the curtain and look at an alternative?

Changing the Game

What if the game turned out to be just an illusion?

What if I told you you could just drop out from the game? Throw the board off the table and go off with your friends to create a new game, one that's much more fun, and where **you** get to make the rules... How does that sound?

What if this is a blue pill / red pill moment?

"What you must learn is that these rules are no different than the rules of a computer system... Some of them can be bent. Others can be broken. Understand?"

Morpheus, *The Matrix*

Let's start peeling away the layers.

Life Isn't About Stuff

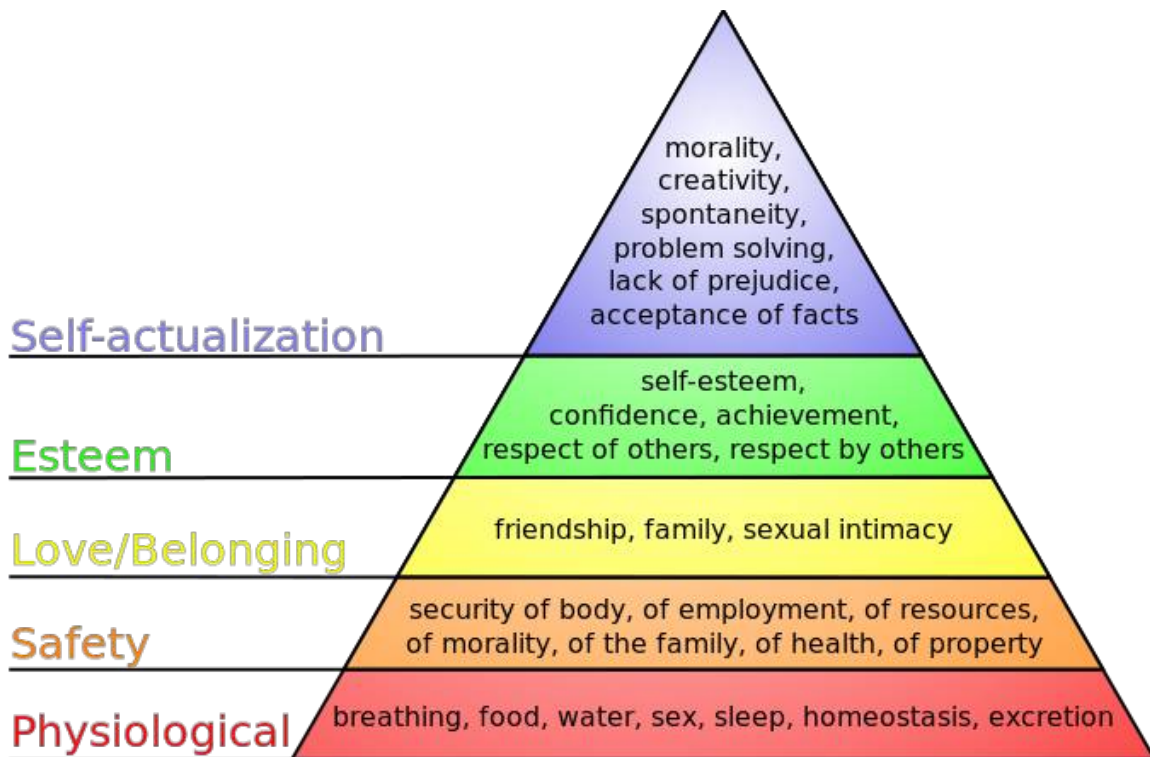
A lot of the luxuries we buy are an attempt to satisfy an inner longing, but they don't work.

If they did, we wouldn't have to keep buying them, would we?

That's because **the best things in life aren't things!** What we really crave and need to be happy is more than material.

Maslow's Hierarchy of Needs

In 1943, Abraham Maslow developed this simple model by observing the traits of the brightest and most successful people, which describes the various stages of human psychological development. It starts with the needs required for basic animal survival, and moves up through more sophisticated needs that go beyond the physical and the individual to more transcendent things we need for complete fulfillment.



As we succeed in living, our immediate physical security gives way to needs more connected to other people and our environment: community, morality, and a sense of making a difference.

This makes me think that the relentless accumulation of “stuff” holds us back at the base “Safety” level, and paralyses our potential human fulfilment.

Addicted To Buying

For many of us, shopping is a recreational activity. It has become a habit.

(Now, there’s nothing wrong with enjoying shopping, and there’s nothing wrong with getting new things. I don’t want to tell you what’s right or wrong - for you - because my goal is to help **you feel empowered** to make choices that work for you.)

And, as we’ll see, when it’s time to invest in certain things, it’s important to shop around, so why not enjoy the process? Some of these decisions can make a significant positive difference to your quality of life.

However, if shopping is something you find yourself doing **compulsively**, without being clear about what true value you’re getting from the stuff you’re buying, I would suggest that’s a habit you should consider changing.

“People confuse the source of their happiness. They become temporarily happy when they get a new car, or a new house, or a new marriage. And they think that they are suddenly happy because of this new thing in their life. In reality, they are happy because

for a brief moment, they are without desire. But then soon another desire comes along. And the search continues." ([Source](#) People of New York)

Instead of spending to get that short-term fix, I suggest it's wiser to buy more rarely, save where we can, spend more consciously, and use our money to **invest** in the best-quality goods we can possibly afford, as they will deliver far more satisfaction (and actually **increase** our wealth) for years to come.

Do You Really Need More?

Our systemic addiction to "more" is not a recent phenomenon. People have been thinking and writing about it, and the system that nurtures it, for hundreds of years.

Influential economist John Maynard Keynes (1883-1946) taught that demand is the primary force that drives economic activity. And Horace Mann (1796-1859), the father of public schooling in the US, believed "artificial wants" could be an opium to pacify the masses ([more](#)).

Mann and others believe artificial wanting will keep you numb and going back to the workplace. Keynes said, "create inflation and liquidity as that is an incentive to spend".

"There is massive propaganda for everyone to consume. Consumption is good for profits and consumption is good for the political establishment... Consumption distracts people. You cannot control your own population by force, but it can be distracted by consumption."

Noam Chomsky ([ref](#))

William Torrey Harris in his "Philosophy of Education" stated that children are property of the state, and that we owe the state for the protection it gives us, which gives it the right to treat its people how it pleases.

Philosopher Robert Nozick in his book "Anarchy, State and Utopia" says that we must pay taxes or we will be deprived of our liberty. We must have money to pay taxes, so we must work to get money. It follows that we must work or lose our liberty. The degree to which we are taxed is the degree to which we are enslaved.

So the prevailing underlying thread is that we belong to the Government, and that our leaders need to keep us pacified, stuck in a cycle of work, consumption, taxation, and dependence on central authority.

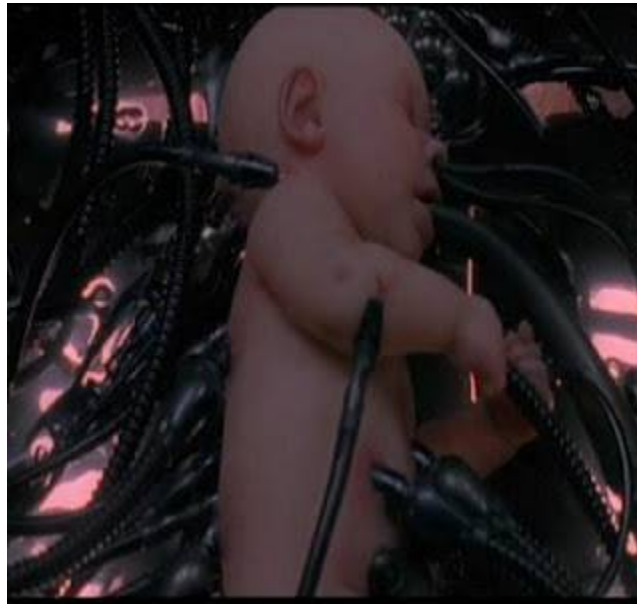
In this system, your role is that of "consumer". Like a suckling pig, your job is to consume without thinking, to get fat and stupid and lazy, and to accept unquestioningly whatever you are given.

Most of all, in the rat race game, the ultimate purpose of your life is to **pay your taxes**. Because we want more, we'll keep working hard, paying tax on our earnings, and spending what we're left with, thereby paying more tax and duty.

*“You know what they [the owners of this country] want? They want **obedient workers**. People who are just smart enough to run the machines and do the paperwork, and just dumb enough to passively accept all these increasingly shittier jobs with the lower pay, the longer hours, the reduced benefits, the end of overtime, and the vanishing pension that disappears the minute you go to collect it.”*

George Carlin ([video](#))

It's like the movie “The Matrix”, in which human beings have been reduced to nothing more than biological batteries, unconsciously generating energy for their owners, the machines.



Economic Growth Rules OK

These days, we don't live in a country - we live in an **economy**. And In this economy, our job is to consume, pay our taxes, so we can keep the economy growing.

"Economic growth" is one of those standards we're all supposed to salute, whether it's sustainable in the long term or not. Of course, continuous economic growth depends on ever-increasing demand.

That's why products keep innovating. Have you ever wondered why razors went from a single blade to two, to three, to four? Or why there are more than thirty different sub-brands of toothpaste on the shelves in your local hypermarket? There's no need for thirty different types of toothpaste, and we can't possibly have room in our minds to distinguish them from each other. It's innovation gone out of control.

We're told that choice is good, so more choice must surely be better.

There's an army of product developers and marketers hard at work every day to come up with new ways to sell you more shit you don't need. One of the ways they do that is by making the stuff you already have seem redundant.

Fashion is a great way to keep people buying more stuff. We need the latest look or the latest gadget.

What would happen if we just decided that "latest" had no value?

Here's an amusing thought experiment: Say you buy the newspaper every day. What would be the **real difference** if, instead of buying today's paper, you just picked up yesterday's paper?

Products are actually even **designed** to fail or to become unfashionable over time. It's called "planned obsolescence" (See [Wikipedia article](#)).

But consumer spending is all good, because it drives the economy. We keep being told that the economy needs to keep growing, because that will create further opportunity, businesses, and jobs. But at what cost? Do we really want to double the size of the global economy again within our lifetimes, double the amount we suck out of the soil and pump into the air?

We have to ask the question: Does consumer spending work **for us**?

Fundamentally, does this game of "more, more, more" make us **rich**?

How many years have you been following this model?

Has it put you in a position to do **whatever you want**?

What Keeps Us In Our Place?

The system seems set up to keep us dependent on our Government. We pay taxes when we work (income tax and National Insurance, which together will generate £258 billion of revenue for the Government in the next 12 months), and we pay taxes when we buy anything we don't need (i.e. "excise": like VAT and duty on things like fuel, alcohol, air travel, gambling, and tobacco).

Altogether, in 2014-2015, the UK Government is likely to receive £597 billion in taxes and National Insurance ([source](#)). With a population of 63 million, that works out at almost £9500 from every man, woman, and child in the country.

Of that £597 billion, the NHS in 2013-2014 will cost a total of £110 billion (18.4% of total Government revenue, [source](#)), and, in 2011, the UK armed forces cost the taxpayer £62 billion ([source](#)).

I am making no comment here on the rights or wrongs of how the country is run. However, I think we can agree that £9500 per head means there is a lot of "government" going on. For a

family of four, it means, directly or indirectly, you're generating £38,000 for the Treasury. That's a lot of money!

In fact, according to recent figures ([source](#)), the median income for a family with two children in the UK is £44,200. That seems like more than 85% of what we earn on average goes back to the State through some means.

I think we need to ask ourselves to what extent we're dependent on this "big Government". How much of the system is really necessary? Is this high-taxing, high-spending system keeping us like children? And what would happen if we didn't contribute nearly £10,000 each every year?

Maybe we would feel a greater sense of **sovereignty**. Maybe, when we saw something that we thought could work better, we would organise our community to do it better, instead of complaining that "they" don't do enough.

Does it make you feel a bit treacherous to consider being less dependent on the State? Does it feel ungrateful or irresponsible to question or to reject government? What is responsible for those reactions? Maybe those are **childish** feelings that reflect the nature of our relationship to the State.

Perhaps it is actually **more responsible** to take more ownership of where we live, and to take on the challenge of caring for others in our community.

Is it time we all grew up?

What would happen if the people of this country realised that we are all actually **rich**; that we don't have to keep working harder to buy more stuff; that we don't ultimately have to depend on the State or on insurance policies; and that, when we see another person in need, that it's within our power, and it's our responsibility, to help them out?

I think another powerful force that keeps us in place is the fear of "**losing it all**" - the nightmare scenario of finding ourselves out on the streets, having failed our loved ones.

It seems to me that the fear of catastrophic loss is far worse than the actual chance of it happening to us, yet it has a disproportionate stranglehold over our minds and the way we choose to live.

Ask yourself, how many people do you know who have **actually experienced losing it all**?

Of course it does happen. Destitution is a terrible situation to be in, and it's something that an evolved society should strive to consign to the history books. But it's also quite hard to put into perspective.

There are no official statistics on homelessness in the UK ([ref](#)), but homeless charity Crisis reports "Last year 113,260 people in England approached their council as homeless", so let's take a guess that the real figure is something like half a million people.

Out of a population of around 65 million, that would equate to one person in 130 without a home to go to. Clearly that's not good enough, but the fact remains that you have a less than one percent chance of being one of them.

So the fear of going without should play a very minor role in guiding our thinking and our choices. But no - we lie awake at night worrying about paying the bills, about being able to afford the big purchase we just made, about how we're going to pay for the holiday or kid's party.

Behind all those fears is the spectre of destitution. Somehow, if we don't manage to keep our head above water, the world will come to an end. This ever-present dread causes stress and sickness.

The reality is that there are actually safeguards to prevent taxpayers from no longer being taxpayers. The system seems to want us to be **afraid** of those catastrophes, but it doesn't **actually want** to flush you away (like rejected human batteries in The Matrix).

No. The system wants you to stay on the inside, faithfully paying your taxes and buying more and more shit you don't need.

The promise is: if we can just earn enough, we'll be free and happy.

How many people do you know who have EARNED their way to freedom and happiness?

Again, the real question we're forced to ask is: **How does this work for us?**

The Real Impact On Us

I think the insatiable desire to consume has chronic side-effects: a world of too much work and stress, insatiable desire and envy, stimulation, sedation, and distraction.

Perhaps the biggest tragedy of all is that so many of us are living isolated, individualistic lives. The culture of "more, more, more" and "me, me, me" has pushed out our natural, human desire for real community.



How many of us are on first name terms with all our neighbours? How many of us fence off our little patch of garden, with its little strip of lawn, and keep our own shed to contain our own lawn mower and tools? Why do we all believe we have to own all these things ourselves?

Are we too proud, or too caught-up in our own problems to be part of our community? Do we not care? Or are we just too busy?

Although the average time spent at work has fallen steadily since its peak in the 19th Century, people in industrialised countries still spend longer at work than those in other parts of the world.

“Since the 1960s, the consensus among anthropologists, historians, and sociologists has been that early hunter-gatherer societies enjoyed more leisure time than is permitted by capitalist and agrarian societies.” ([source: Wikipedia](#))

The average worker in the UK still puts in over 42 hours per week ([source BBC](#), 2011). That’s double the time people in “less developed” countries work. So the more “advanced” our civilisation has become, the more work we have to do.

Perhaps our addiction to consumption drives us to keep working long hours, so we can earn more money we need to buy all the stuff we think will make our lives fulfilled, and the “labour-saving” devices we think we need to help do the stuff we don’t have time to do.

You know what we call our level of willingness to continue to buy shit we don’t need? We call it “consumer confidence” and (like “economic growth”) it’s held up as a really good thing that we should all applaud.

But what if you stopped being a professional consumer? What could you be instead?

How about being an **investor** in yourself, your family, and your community?

Now I'm not saying we shouldn't have any of the cool stuff we want.

Here's what I'm proposing...

- Let's start to see all possessions that are not necessary for life for what they are: **luxuries**.
- Let's get better informed, so that we can choose **which luxuries we really want...**
- So that we can **save** the money - and the precious time spent working to earn that money...
- Which in turn lets us **invest** our time and money in things that will enrich our lives more.

I'm going to sketch a picture of possible alternative lifestyle choices. I invite you to start thinking about which elements of your current lifestyle work for you, and which you may like to change. It is ultimately **up to you to choose what works for you** in each of these areas.

We'll start with some big concepts.

Big Idea 1: Your Time is More Important than Stuff

"The things you own end up owning you."

Tyler Durden, Fight Club

I'm not arguing that we should live cheaply, but **richly**. In order to be truly rich, we need time. There's no point working every hour God sends to buy lavish things, if we are too busy or too tired to appreciate them.

Here's a simple illustration.

A Week In The Rat Race

- There are 168 hours in the week, of which let's say we spend 112 awake (if we sleep 8 hours per night).
- Of those 112 available hours, if you spend 8am - 6pm working, travelling to work, or doing the school run; another hour getting up and ready, and one hour winding down afterwards, 5 days a week, that takes 60 hours - over half your waking time.
- That leaves 52 hours per week in which to enjoy the money you've earned in the other 50-60 hours. Most of that time is crammed into weekends (32 waking hours).
- But wait! In that time, you need to shop for groceries, do stuff that needs doing round the house, and do all the things you want to do, relax, and recover from your working week.
- So let's say you need to spend 12 hours per week on chores (groceries, gardening, housework, laundry). 12 hours is 23% of your spare 52 hours, now leaving just 40 hours for all the things you really want to do: cooking nice meals, eating out, watching films, playing with your kids, sport, hobbies, trips, TV, exercise, cultural events etc.
- 40 hours isn't enough time to do all those things, so you're forced to compromise. You cut corners with things we label "convenience", like drive-through takeaways, microwave meals, and doing your supermarket shopping online for home delivery.
- If anything breaks, it's easier to throw it away and order a new one online.

- And you always seem to finish each month having spent all your money, wondering when you'll finally earn enough to get your head above water.

Convenience is Tax!

All the time-saving stuff that we label “convenience”, like fast food, microwave meals, takeaways, convenience stores, motorway service stations, even shoe shine services, walk-in dry cleaners, or the “convenience charge” you pay for ordering event tickets via a middleman... all this stuff means you're paying a premium, a tax, in order to save your precious, scarce time.

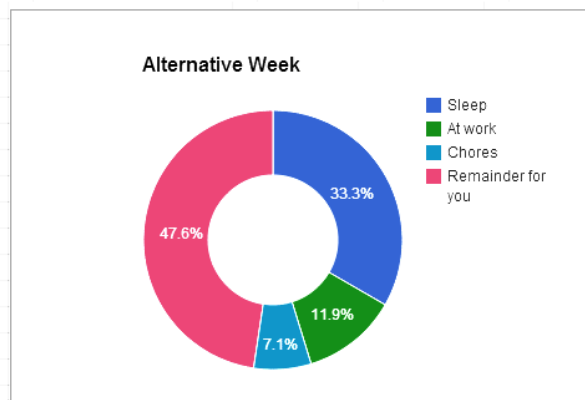
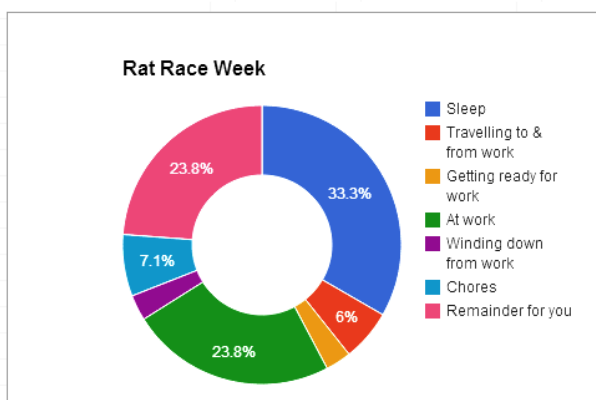
Keep this key principle in mind as we work through the following sections.

An Alternative Week

- There are still 112 waking hours in the week. Let's see how much more value we can get from those hours.
- Let's say you work just **four hours per day** instead of 8, and you **work from home**. So there's no commuting, and no getting ready or winding down time That creates an extra 8 hours each weekday, or 40 extra hours per week. (Hey - that's **double** the “you” time!)
- Of course, you'll probably earn less. But don't worry, it's okay, as we'll see. Releasing those extra 40 hours per week can deliver multiple, surprising benefits.
- You can now shop around to get the best value for your money. Having less cash, but more time to choose how to spend it, means you can make that cash go further. (There are lots of examples of how to do this in the book.)
- You can do your weekly “chores” as you go along, and they now represent 12 out of 82 hours, just 14.6% of your waking time.
- You can take your time preparing delicious, healthy food, instead of ordering expensive takeaways.
- You have all the time you want to spend with your loved ones, your pets, and your property.
- You can take regular breaks, which recharge your creativity and make the hours you work more enjoyable. (I intersperse my paying work with things like playing guitar, gardening, walking my dogs, enjoying every meal with my partner, and watching our ducks on the garden.)
- You don't have to pay other people to look after your kids, do your cleaning, ironing, gardening, or walking the dog.
- You can even grow your own fruit and vegetables, make preserves, brew your own beer and wine, and distil spirits.
- If anything breaks, you simply take time to fix it, or take it to someone who can, at a fraction of the cost of replacing it.
- And what if, somehow, you still had some money left at the end of the month to save? Could that really be possible?

Here's how the comparison between these two weeks looks as pie charts. Notice how, in the rat race week, work (and everything associated with it) actually takes up 60 hours, 35 percent of your life. However if you working just half the time from home, that now only takes 20 hours - a third of what it was.

Rat Race	168 total hours available	Alternative	168 total hours available
Sleep	56	Sleep	56
Travelling to & from work	10	Travelling to & from work	0
Getting ready for work	5	Getting ready for work	0
At work	40	At work	20
Winding down from work	5	Winding down from work	0
Chores	12	Chores	12
Remainder for you	40	Remainder for you	80



Feel free to view or copy my [online spreadsheet](#).

The most important difference is the impact on the pink sector, “Remainder for you”, which expands from a measly 23.8% to a rich 47.6%. If you were just to take your waking hours, that’s a huge jump in spare time from 35.7% to an incredible 71.4%!

Does this sound too good to be true? It isn't, and I'm going to show you how!

Work-To-Earn or Work-To-Save

There’s always a **trade-off** between **work, time, and money**.

Our default mode is “more money”. That creates the default rat race cycle...

- I want **more money**
- So I’ll do **more work**
- Which means I have **less time**
- And therefore need more money... and the cycle repeats

(Because the less time I have, the more I rely on “convenience”, paying a premium to get things fast, or paying someone else to do something for me that I could otherwise do myself.)

But if we throw out the assumption that the route to happiness is “more money”, we can **reverse** the cycle...

- I’m already rich! I could live just fine on **less money**
- So I can do **less work**
- Which gives me **more time**

- Which I can use to make my money go further, and therefore need less money... and the cycle repeats

I call these two approaches “work-to-earn” (which is the default rat race mode) and “work-to-save” (the alternative approach). In the “work-to-save” mode, you invest your time in saving money instead of investing your time in working to make more.

The key question each of us needs to ask is: **which approach will make my life richer?**

For most of us, I believe it is actually **easier to save money than it is to make more.**

Look at it this way. The more hours you work, the less spare time you have, so the more precious that spare time becomes. There therefore has to come a point where it just isn't worth working any harder to earn more money. I would suggest that most of us are already beyond that point.

Of course, there are many situations where it **makes sense for you to pay someone else** to do stuff for you. There may be a job you're not skilled at (like car repairs or plastering), a skilled person can do it much more efficiently. Or it could be something you just don't much enjoy.

If you're in a position where you can earn more money in an hour than you would have to pay someone to do an hour's work for you, it can make sense for you to do the work and to create work for another person. For example, we pay someone two mornings a week to help clean our house. We might earn the money to pay for that help in one or two hours, so it's more efficient for us to earn the money and use it to give work to another person.

However, there are limits.

- If you're already working too many hours, your life is already out of balance, and your spare hours become extremely precious.
- Also, we can't just measure value in terms of pounds. Why get up early to drive to work so that you can earn money to pay someone else to drive to your house to spend time with your small children?

Which do you think will make you **happier**? Spending half your waking life for the next few decades working to earn money that you won't really have time to enjoy? Or trading some of that money for more time, so that you can get more enjoyment out of the richness you actually already have?

I believe most of us simply don't know the **real costs** of the choices we make. For example, do you realise how much you have to earn in order to pay for full-time childcare? That's just one of the things we're about to lift the lid on!

If you're like me, you'll be astonished when you peel away the layers and discover some of the ways we waste our time and money, and I hope you'll also be excited as you realise how much **power** that new knowledge gives you.

You Can't Buy Time

Someone told me once, "How do kids spell 'love'? 'T...I...M...E'"

Time is the one thing in life that can't be replaced. If you lose a fortune, you can build another fortune. If your house burns down, you can rebuild or replace it. But a day or a year lost is lost for ever.

*"Now don't hang on
Nothing lasts forever but the earth and sky
It slips away
And all your money won't another minute buy
Dust in the wind
All we are is dust in the wind"*

Kansas

I remember a time when I was working far too hard, in order to earn more money than my family actually needed to pay for a lifestyle that didn't work for me. I lived in a constant state of stress, and I would finish each long working day in a grumpy mood. My kids certainly did not get the best of me. Those hours and days are now gone for ever.

We're going to look at a bunch of ways to release time from the rat race, and to **reinvest** that time more wisely in yourself, in your family, and in the wider community.

The next big idea I'd invite you to consider is: If you're in work now, what would be the outcome if you could cut your working hours in half, and work from home?

Big Idea 2: Slash Your "Work-To-Earn" Hours

If you want to reverse the "Work-To-Earn" cycle into "Work-To-Save", you need to take action. That could take the form of a series of small steps, or it could be a radical change.

The obvious place to make a change is in **how you use your time**, because time is the ultimate finite resource in life. Sure, it might be possible to start by saving money, but if you're still working a full rat race week, where are you going to find the time to invest in making those savings?

We have to start by changing the way we **work**. Let's explore how working less can result in saving money!

"In this world nothing can be said to be certain, except death and taxes."

Benjamin Franklin

I agree on the "death" part. But I believe a lot of taxes we pay can easily be avoided.

You may find the hairs on the back of your neck bristling right now. We're trained to view "tax avoidance" as wrongdoing. In many cases, that's true. If you earn more money than anyone needs, or you're a profitable corporation, **you should bloody well pay your tax!**

I'm all in favour of fair taxation. But when huge corporations dodge paying their fair share, someone has to pick up the tab, and that someone is the average working man or woman.

Not all ways of avoiding paying taxes are illegal or wrong. We'll be looking at a number of simple ways we can benefit from **legally** reducing the amount we pay in taxes and duty.

Let's start with one of the simplest ones: income tax and National Insurance. Obviously, the more you earn, the more tax you pay. And that gets worse as you earn more...

- If you have a gross salary of £40,000, your typical take-home pay will be £2512 per month. In other words, you get to keep 75.4% of the money you earned.
- Let's say you **halved that** to a gross salary of just £20,000, your typical take-home pay does not halve. It will now be £1379 per month, equivalent to keeping 82.8% of the money you earned.
- Put another way, the take-home pay on £20,000 is 54.9% of what you take home on £40,000 ([source](#))

So you get to keep **more than half** the money, but if you can also work from home you spend only **a third** of the time on work and work-related activities, and get **double** the spare time. That sounds like a good deal to me.

In February 2013 there were [almost 30 million Britons in work](#). At an average of [253 working days per year](#), that works out at 7.59 billion working days per year, or 632.5 million working days per month (about 21 days each per month).

In March 2014, there were [2.21 million people](#) in the UK officially out of work, or 46.4 million unused working days at 21 days per month.

So if each person who's in work cut their working hours by 10%, dropping just two days per month, that would create 60 million extra available days per month: more than enough to give a job to everyone who wants one, and slashing the cost of unemployment benefit to the taxpayer.

(This [Guardian article](#) asks why we aren't all working a four-day week.)

Of course, the less money you take home, the less "disposable income" you have to spend. But that isn't necessarily bad news, because we get taxed every time we spend money on stuff we don't need. So that means you'll pay a less tax again!

Let's say you buy a new TV that's worth £500 (excluding VAT). Because it's a luxury item (i.e. not essential for normal daily living) you'll pay VAT at 20%, adding an extra £100. But if you're buying it out of a salary of £25,000, you'll already have paid £5,045 of that in income tax and NI (that's 20.18%). So to get that £500 TV you actually have to **earn £721!** So to buy stuff we don't actually need, we have to work even more, eating into those precious spare hours.

Again, I'm not saying we shouldn't be buying the luxury items we really want. Instead, let's pick and choose the ones we **really** want, so that we're not throwing money away pointlessly on tax and duty (for which we end up working extra hours).

As you're starting to see, slashing your "earning" hours can give you a lot more time that you can reinvest in ways that enrich your life more, while directly saving you money too.

As I mentioned in the introduction, you'll notice that most of what follows in this book seems to be about money: saving it and making it go further. Ultimately, it isn't about money. It's about your time, which is far more valuable.

But you need to **master your money** in order to realise the time.

Let's make a huge generalisation and assume that, if you were to take on this Big Idea, you'll **take home £1133 less** than you were previously.

How hard do you think it would be to scrape back that £1133?

Let's see...

Big Idea 3: Don't Borrow

Borrowing money is a mug's game. Of course, we all know that, but yet we still do it.

Why? Because we feel **compelled** to keep buying more and more shit we don't need.

We think we deserve life's luxuries, and we think they'll make us happy. We say, "Look at the week I've had. Look at how hard I work. I deserve that!"

Maybe we're also stuck in the common delusion that we're going to earn more in the future, so paying off the credit card won't be a problem.

But when we borrow with interest, we're imprisoning ourselves. We still have to find the money eventually, and we have to pay it all back, and more!

So borrowing in order to buy stuff makes you poorer!

If you have a credit card, and you're only paying back the minimum, do you know how much you'll end up repaying?

According to Google (www.google.co.uk/creditcards), a typical APR today is 18.9%.

Using the Which? repayment calculator ([link](#)), if you owe £1000, and you pay back the typical monthly minimum, 3% of the balance, it would take you **twelve years** to repay, at a total cost of £1804!

That's one reason why UK families now owe an average of £54,000, twice what they owed a decade ago ([source](#)). That's more than the median family income of £44,200!

If you have a credit card, cut it up now.

In fact, I'm a big believer in using cash instead of cards. If you have cash in the bank, I suggest you do what we do: draw it out, put it in a tin in a safe place, and take cash with you when you go out. When you handle your own physical money, it is a lot more tangible than just sticking your card into a card reader. Twenty pounds in your hand **feels like** twenty pounds. Also, when you open your tin, you know how much money you really have left, which will really help put any buying decisions into perspective.

If you're in debt, you need to get rid of it as soon as possible! I want to offer you three tactics to consider seriously. They're all bitter pills, but could be infinitely preferable to paying money to faceless, heartless, soulless money men for the next ten years or more.

Tactic One: Consolidation Loans

It can sometimes make sense to collect multiple debts into one, larger loan, for which you can often get a reduced overall rate.

Never, ever, consider the "payday loan" companies. They may seem convenient with their "easy" online calculators, but they're sharks, and there are far more affordable alternatives out there.

There are [credit unions](#) all over the country. These are usually **mutual societies** (i.e. they're set up for the benefit of everyone, not just shareholders). That means they're more likely to listen sympathetically and can offer far better rates than the sharks. [Check here to find one near you.](#)

The Government also offers interest-free "[budgeting loans](#)" for anyone who's been on income-related benefits for 6 months or more.

I've only scratched the surface here. Your local [Citizen's Advice Bureau](#) can also offer excellent free advice. I strongly recommend you make an appointment to make sure you know all your options.

Tactic Two: Call in the Cavalry

A lot of people have friends or older relatives who have significant savings. My second tip is to go cap-in-hand and ask your relative to clear the debt for you. This would save you a significant amount in interest, which means you'll be able to repay the debt to your relative quicker than you could ever pay back the original lender.

However, if you're carrying a lot of debt to profit-making lenders, you should also consider carefully whether it is really in your best interests **to repay the loan at all**. What's really in it for you?

Tactic Three: Fold!

Earlier I mentioned that the system does not want you to drop out, and there are measures in place to keep your situation as a tax-paying consumer. One of the ultimate safety nets is **bankruptcy**, and it can be an incredibly liberating move.

Many more people should use bankruptcy, but few of us will ever even consider it. Our pride won't let us do it, because we think it means failure. We would rather carry on losing the game indefinitely than admit we can't win.

But I can think of at least two friends who have used this tactic in the past few years. One is a teacher, one is an accountant, and both say it is one of the best things they have ever done!

We advised another couple we know to do down the same route, as they owed a five-figure sum to a private school and were paying very high mortgage fees on a house that had no equity in it. They could have just walked away from all this, but they couldn't bring themselves to do it.

When you declare yourself bankrupt, all your debts are basically written off. Any assets you own can be claimed to repay your creditors. But after just 12 months, everything is discharged ([more details](#)).

If you're in a situation where you are unable to repay your debts, my advice is, don't try! Suck it up, go bankrupt immediately, and start over with a much richer life. Remember, the worst thing you can do is to play the game badly.

Of course, your credit rating will be shot, but guess what... **You don't need a credit rating**, unless you plan to borrow - and borrowing is for fools! Credit rating is another false idol, like economic growth and consumer confidence. You don't need it. You don't want it.

What Will You Save?

- If you just get rid of your credit card debt, avoiding the 3% per month repayment equates to **£30 each month for each £1000** of debt, or £1800 in total, at typical rates.
- As we've seen, UK families owe £54,000 on average. If that were all on credit cards, simply getting rid of the debt would save around **£1620 per month**. That's 50% more than you would lose by cutting from a £40,000 job to £20,000. So why keep working long hours in order to repay suffocating debt?

Big Idea 4: Slash Your Travel

Travelling to work can eat up a surprising of your money and time.

The ONS survey of family spending in 2012 ([source](#)) lists travel costs as our second biggest expenditure (just behind housing) at £64.10 per week.

Commuters who live in or around London spend the longest travelling to and from work: 56 minutes every day on average. Workers in Wales commute the least, half that at an average of 28 minutes per day ([source](#)).

Let's do the sums... Say the average is about 45 minutes per weekday. With 20 working days in a month that's 15 hours a month, 180 hours a year, or 5400 hours (225 days) over 30 years. That's **one year of your waking life** spent commuting!

(I have personally spent **over 3 hours per day** commuting to and from work in the past, in more than one job!)

If you slash the number of days you work, you'll also slash your commuting time. And, if you work from home, you'll save lots more: up to around five hours per week if you work in London.

Freeing yourself from the standard commuting pattern also gives you more flexibility on **how** you travel. For example, if you're already in your car, it makes sense to do a supermarket shop on your way home from work. But that means you're hitting the shop at peak time, along with all the other rat race commuters, which means longer queues and more time wasted.

Do we even realise the true costs of running a car?

Here's an example of how we saved by going from running two cars to one.

When we moved to our current home, we had an old Seat people carrier, which we had bought for £1500; and a nearly new Volkswagen Tiguan that cost around £20,000. I'd bought the VW on one of the popular personal hire purchase agreements that most dealers offer today. The repayments for that were £289 per month, and because it was a relatively expensive car the insurance was fairly high.

As part of our money-saving switch, we got rid of both cars and used our savings to buy an old 2000-model Range Rover outright for £3600 with just 70,000 miles on the clock. The money we saved on repayments and insurance on the VW would pay for this car entirely within 12 months.



Sure, it's a less economical vehicle, but because we drive fewer miles now we don't actually pay much more in fuel. And because it's an older vehicle, the insurance is lower.

Plus, it's a real treat to get in this car, every time we drive it! It's still a luxury vehicle, and extremely well made, but it cost less than a one-litre 2006 Toyota Yaris with the same mileage.

That's just one example of how you can use saved money to invest in something that's high-quality and likely to save you a lot more money over years - a core theme of this book.

What if you don't own a car? As an example, the cost of commuting the 40-mile journey from somewhere like Southend-on-Sea into London by train with a season ticket is about **£266 per month** ([source](#)). That's not much less than it costs to run a car.

What Will You Save?

- Typical running costs are **£425 per month**. That's for a diesel car valued under £16,000, doing 15,000 miles per year: [source](#)).
- Figure the saving you'd make if you gave up your own car [here](#).

It's also possible to sidestep a huge chunk of duty by making your own carbon-neutral biodiesel from vegetable oil. Instead of paying £1.30 per litre at the pumps, you can make your own for as little as 18 pence per litre. HMRC gives you an allowance of 25,000 litres per year (equivalent to about 25,000 miles), although you are meant to pay 50 pence per litre of duty on each litre of vegetable oil you buy for this purpose. (This is not something we have tried yet, but we plan to.)

What Will You Save?

- Doing 10,000 miles per year at 25 mpg would need about 1800 litres of biodiesel. At a cost of 70 pence per litre, you'll save about 60 pence per litre, or **£90 per month**.

Big Idea 5: Invest In Your Home

It is likely that you already spend a significant amount of your income on your home. According to the [Office of National Statistics report of UK household expenditure \(2012\)](#), the average family in the UK spends £489 per week in total (excluding mortgages, for some reason). And, of that, £68 per week goes on housing (including heating and electricity).

That's 13.9% of the average family's expenditure: the largest expense, ahead of transport (£64.10), recreation and culture (£61.50), and food and non-alcoholic drink (£56.80).

So, if we spend most on our home, why not spend more time there? Why spend so much time at a different place of work, or travelling between the two?

Of course, there are many jobs that can't be done from home, but there are plenty that can, particularly if you get creative.

Here are just a few suggestions...

- Tell your employer you want to cut your hours by half and work from home for 50% of your salary. They may just agree. (A few years ago, I was on a £350/day contract for a Government department. I simply told them I would only continue if I could work from home. They said yes.)
- You might do a job-share with a colleague.
- If you have young children, why not get qualified to offer childcare to other parents locally? Or home-education for older kids.
- You might consider getting new skills. There are lots of jobs you can do today that just require a computer, an Internet connection, and basic training: from data-entry to Facebook marketing, web design to proof reading. (From our successful experience, I created a short [course](#) on starting a Facebook marketing business from home.)
- There are hundreds, if not thousands, of small businesses you can run from home with a small investment. I have friends who do floristry, gardening, massage, art, furniture making, accountancy, manicure, chiropody, pet grooming, dog sitting, dog walking, bed and breakfast, hairdressing, computer programming, and more.
- Maybe you've always dreamed of a creative job: writing, painting, comic book art, or crafts. If it was possible for you to live more richly on half the income, would that help make your dream a reality?

In my alternative approach, I think it actually makes a lot of sense to invest in your home, so that you can **get a larger property**. There are several good reasons for this...

- If you cut your paid working hours, you'll be spending more time at home.
- Plus, if you work from home, you'll spend even more time there. And you'll need an office or workshop or some other workspace.
- Having more room and storage lets you invest in bulk-buying, which can save you quite a lot of money (see the section on Groceries later).
- The more space you have, and the more pleasant your home environment is, the less you'll need to escape on holiday.
- Finally, having more land gives you the option to grow your own food, which brings numerous benefits (as we'll explore later).
- If you can find a really beautiful property, there are websites that will let you do house-swaps with other homeowners, so you can get a holiday for the price of not much more than flights.
- Friends have even used our garden to take wedding photographs. That's another potential side-earner if you have a beautiful spot.
- Plus, if you have spare rooms, you can have a bed and breakfast side business, which can earn you £100 per room per night (depends on property and location). Our house is adjacent to a stately home and a golf course, so there are possibilities there.

In my approach, I say we should redefine a lot of different things as "luxuries": things that are not essential for you to live, and for which you pay a premium.

Luxuries are not wrong. What really matters is to choose the ones that will enrich your life the most.

I suggest that getting **your dream home** is one of the most important luxuries you can invest in, because it can repay you in so many ways.

Our home is one of the most beautiful we have ever seen - and remember we're in the poorer half of the UK population. We pay £950 per month rent for a four-double-bedroomed thatched cottage in an out-of-town location, which also comes with two acres of land, fruit trees and a pond.



This house gives us all the space we need to buy in bulk, have a large office, keep ducks, grow fruit and vegetables, and even brew our own alcohol.

We haven't been on a foreign holiday in several years. Partly that's because we have dogs and ducks to look after, but also because we've built a life we **don't have to escape from**. Our friends actually come to stay with us for a relaxing break.

We saw this house listed online for at least 6 months before we came to view it. There are amazing properties out there, if you take the time to look around, and if you're flexible in your thinking.

What Will You Save?

- Nothing. This is not an area where you should be cutting back.

Of course, getting a bigger place **where you live now** is likely to cost quite a lot more than you pay now, which brings us on to the next idea...

Big Idea 6: Move Out Of Town

If a dream home is a luxury, so is living in town! Let's compare the costs of renting larger properties in urban and extra-urban locations.

I did a quick test search on a big UK property site for detached houses available for rent. I specified that they had to have a garden and either four or five bedrooms.

I found ten matching properties in my old postal code (Sheffield 10) and eight in Bolsover, an out-of-town location less than 20 miles away.

The average monthly rent for the ten properties I found in Sheffield 10 was £1514. The average price in Bolsover, for similar-sized properties, was just £810.

Why not try a similar search comparing costs in city and semi-rural locations near you.

Now, of course, you could argue that you'd get a lot more for your money by staying in the city. Of course, that's true, in some ways. You'd get access to more cafes, more shops, more cinemas, more transport connections, more employers, more schools etc.

But consider, all those extra choices are not essential for daily living. Any location in this country can offer everything you need to live well. Living in the city is really a luxury.

Again, what we're learning to do is to compare all the possible luxuries that we **could** invest in, and make positive choices on the ones that will improve our quality of life - make us richer!

Anyway, if you're going to stop commuting and work from home, how much does it really matter where you live?

Plus, if you plan to invest in your home and you want a larger home with more space, the premium you pay for an urban location will be greater the bigger the property. Move out of town and you'll get even more, comparatively, for your money. You may also find that Council Tax is lower.

Buy Or Rent?

The UK has an entrenched culture of home-ownership, and it seems that young people are expected automatically to buy their first house as soon as they're able.

This [FT.com article](#) questions the messages we're constantly fed, like "Renting is throwing money away", and "Buying builds equity".

So how much economic sense does it make to plough a significant chunk of your earnings into a mortgage?

I did a quick test, using an [online mortgage calculator](#).

If you were to borrow £200,000 over 30 years at 4.6% actual interest rate, you'd pay £169,100 in interest, 84% of the amount borrowed - and that's at today's super-low interest rates!

House prices have risen about 430% over the past 30 years ([calculator](#)), which may still seem like a good investment. But then we need to take inflation into account. [This table](#) shows the "real" house prices over time, adjusted for inflation. A house that cost £86,466 in the first quarter of 1984 would be worth £178,124 in real terms 30 years later. That's a rise of £91, 658, just 106%.

Assuming you do repay 84% on top of the principal, the real return looks like just 22% over 30 years. That's less than 1% per year in real terms. There are better investments out there!

Then you should consider the **benefits of renting**, which can give you peace of mind that it's hard to put a price on...

- There's no guarantee that buying a property is a good investment. If property prices fall, for whatever reason, or if there's a serious problem with the building, you could find yourself in a negative equity situation (owing more than you originally borrowed) and therefore unable to sell. Renting protects you from those risks.
- If you're working your way up the property ladder, you'll pay stamp duty every time you move ([up to 7%](#) of the purchase price). Renting doesn't have this cost.
- When you rent, your landlord is responsible for maintaining the fabric of the building. As a homeowner, you have to fund any repairs yourself.
- And finally, renting gives you great flexibility. You can move much more easily, to relocate for work or simply to get a home that better suits your family's changing needs.

Plus, it could be argued that the time to buy a home is not when you're young. Even in later life, you can use the tax breaks to buy one property (or one each) and rent those out while still enjoying the flexibility of renting yourself.

What Will You Save?

- It depends where you live now, and the size of property you need. Do your own comparison, e.g. on [Rightmove](#) or [Zoopla](#).

Big Idea 7: Home-educate

"My education was interrupted only by my schooling."

Winston Churchill

If you have children, you may also seriously consider home-educating them, alongside about 60,000 other kids in the UK (that's around one in 160). Not only do homeschooled kids tend to be [healthier](#), and can do [better academically](#), there are significant money savings too.

Let's start by looking at the direct costs of childcare for younger children, which can be incredibly high! According to this BBC [report](#), "Many parents spend more on childcare than the average mortgage" ...

The Family and Childcare Trust's annual report says average fees for one child in part-time nursery and another in an after-school club are £7,549 per year.

Full-time childcare cost for a family with a two-year-old and a five-year-old child are estimated at £11,700 a year.

Also note that "In general, childcare or home help services are not tax deductible." ([source](#))

Remember, the real difference in take-home pay between earning £40,000 and £20,000 is just £1133. Part-time care with nursery and after-school club typically works out at £629 per month, which already accounts for half the drop in pay. Or, if you're paying full-time childcare for two kids, that's an incredible £975 per month, so there's only £158 left to find!

And if one parent stops commuting, that's likely to save £200-£450 per month (possibly more). You would already be better off!

How much time does it take to drive your children to and from school? I've done 45 minutes each way on a school run before, and know parents with kids in private schools who drive over an hour each way. That's 4 hours per day spent travelling, just for school!

It is hard to estimate what **state education** costs parents directly. We would have to take into account travel (car or bus journeys), school dinners, uniform, sports kit, plus any additional fees for extracurricular clubs and trips. On the other hand, if you're home-educating, you still have to buy stationery and learning materials, so it is likely that there is no difference. But can you think of a better way to invest your time than with your own children?

If you have kids in **private education**, consider that home-educating is even more private! Plus you'll save a fortune - literally!

"37% of parents have considered taking their children out of private schools because of costs... Private school costs around £195,745 for a child from the age of five to 18."
([Source](#))

The law requires children to have full-time education. Article 45 of the Education and Libraries (NI) Order 1986 states...

“The parent of every child of compulsory school age shall cause him to receive full time education suitable to his age, ability, aptitude and to any special educational needs he may have, either by regular attendance at school or otherwise.”

There's no definition of what “full time” means, but it could prove to be a lot less time than you might think...

Because the time is so much more focused (compared to class sizes of 30, or even 15 as you might find in some private schools), most parents find it takes only **three or four hours at most** each day - even less for younger kids. And of course you can subtract from that any time previously spent on the school run.

The biggest benefit of all is that you'll get more **quality time** with your children during some of the most important years.

[This article](#) shows that home-educated primary-age kids do very well...

“Primary-aged children who are taught at home learn more than those in schools, according to the first study into the benefits of home learning.

“The research revealed that in the national literacy project assessments, 80.4% of home educated children were at the same level in their studies as the top 16% of school educated children.

“What is more, the study dispelled some of the myths surrounding home education.”

Home-educating isn't for everyone. You'll need to have the right aptitude, be interested in it yourself, and be prepared to learn along with your kids.

And of course there's the important need for social interaction. Everyone needs to meet other people their own age. We found, when we were home-educating twin teenage girls, that all their work was done by the early afternoon, which meant they had no homework and were free to go out and hang out with friends.

Another great benefit of home-educating is that it lets you be really flexible with your time. You can visit the beach, museums or theme parks when everyone else is in school. And you can book foreign holidays much cheaper, avoiding the school-holiday premium.

One aspect of our lifestyle that I cherish is that it allows us to choose when to work and when to play. For example, last week Friday was forecast hot, sunny weather, and Saturday was forecast heavy rain. So on Friday we took the whole day out to walk our dogs at a beautiful nature reserve, and worked on Saturday instead. I remember how much I used to resent sitting in an office when it was glorious weather outside.

It is also worth seeing who else around you is home-educating, so that you can get together and share your resources, which could save you even more time.

For a personal insight into home education, read [Stacey's blog](#).

Many home educators feel strongly that the school system does a poor job of preparing our children for healthy and free-thinking lives. For more on this, check out SchoolSucksProject.com...

“The 15,000-hour process of compulsory schooling has a dramatic effect on the mind of a child. When we first enter these institutions at age six, many of our best personal attributes are already in place. We are curious, innovative, unique, creative and hopeful in ways that we will rarely be able to replicate throughout the rest of our lives.

“But over time, school sucks those essential attributes out of too many of us...and replaces them with predictability, obedience and apathy. Unfortunately, for over a century this process has been referred to as “education.” It isn’t.

“Our aim is to reclaim that word, to take it back from those who wish to use institutionalized schools (at all levels) to mold impressionable minds into desirable and predictable finished products. Education is a journey by the individual, for the individual.”

Brett Veinotte, founder, School Sucks

What Will You Save?

- Removing two kids from part-time childcare could save you **£629 per month**.
- Eliminating the cost of full-time childcare for two kids could save you **£975 per month**.
- If you have children in private education, you would save **£1359 per month per child** on average by home-educating. (So just removing one child would more than make up for a drop in earnings from £40,000 to £20,000.)
- Removing your kids from the state education system probably won’t save you any money, but the additional benefits to quality-of-life could be far wider-reaching.

Big Idea 8: Think Twice About Higher Education

The sky-high costs of education don’t stop when children leave school. I would suggest that, these days, going to University is another expensive luxury.

We go to University so we can have a chance of getting higher-paid jobs. But in doing so most people take on £10,000s of student loan debt, which is a burden in the most important years when we need money the most.

The average graduate in the UK will leave with £53,330 of debt ([source](#)). (And student debt is still debt!)

By my reckoning, when you take that typical debt into account, the average graduate does not see any financial benefit until they are in **their mid-thirties**...

According to a [study of salaries between 2003 and 2013](#), the average graduate at age 35 will have a salary of £34,010. The average non-graduate that has an apprenticeship will earn £26,391 at the same age.

Using those data, if you were to take the aggregate average salaries for graduates versus non-graduates who took apprenticeships over time, both starting from the age of 21, and taking into account the average graduate student loan debt of £53,330, the average graduate will not catch up with the apprentice-trained non-graduate until they reach the age of 36 ([see my spreadsheet](#)). However, it is worth noting that graduates are also more likely to get employment.

Consider telling your kids not to go straight on to University unless they need to in order to get a specific vocational job: doctor, architect, etc.

I kept changing my mind about what I wanted to do at University, which meant I spent a year longer than I should have done. In turn, I had an extra year's student debt (which took me up to the age of 35 to pay off), and I lost a year's potential earnings.

Spending a few years working in real jobs will give young people a stronger work ethic, perspective, and purpose that most green Uni students just don't have. In my experience, the mature students I met at University were far more successful, because they had a genuine reason to study, and applied themselves better than those of us who just followed the conveyor belt from school to Uni.

What Will You Save?

- As a parent of children in higher education, this very much depends on how much assistance you would personally be giving.
- As a higher education student, you are likely to be better off in the long-term by going to University. However, it makes a lot of sense to do work in the real world first, and to save a little to help offset your need to borrow.

Big Idea 9: Re-think Inheritance

Leaving money for your kids is a rather old-fashioned idea, and I don't think it is helpful. In fact, it is more often a curse.

I don't know one person who has been left a significant sum of money and who has really benefited from it. (However, I do know one person who inherited a significant sum of money, and within a week had gone out and bought a sports car, crashed it, and died.)

Think about it. Why spend your most financially challenging years (your 20's and 30's) paying through the nose on things like mortgages, student loans, and credit cards, which restrict your potential, and keep you working harder for longer, so that you can eventually retire with more wealth than you need and then leave large sums of money to your kids, who will by then probably be in their 60s, and so don't need it either?

Instead, invest in spending time with your kids. Work together, play together, grow food, look after animals, travel, and build strong shared experiences and relationships.

As my friend Sarah says, "Invest in memories, not legacies."

What Will You Save?

- It is impossible and unnecessary to quantify.

Big Idea 10: Be Your Own Boss

We tend to grow up thinking that working for an employer is the safe option. Perhaps it was at one time, when shipyards and mines and mills offered employment to whole communities. But in the era of the information economy and “fast money”, jobs are far more mobile. All kinds of jobs could be transferred to someone else, anywhere in the world, at any time.

If you have your own small business, of course you’ll need to spend time finding your own clients. If you lose a client, you’ll need to find another one.

But, if you’re employed, you effectively just have **one client** - your boss - and if you lose that client, you instantly lose all your income (and most likely become dependent on the welfare state).

I strongly advise you find a way to be your own boss, and to own your own business.

In most capitalist systems, the game is actually set up to benefit business owners, not individuals. So cheat the system and play as a business, not a consumer!

When you’re a business, you can record all your business expenses, including travel, sustenance (food and drink), stationery, computers, etc., and discount all those costs against your revenues.

So you only pay tax on your profit - not on all your income. Essentially, this means that when you buy something through your business, you’re buying it with “pre-tax” pounds.

Here’s a list of the [most popular tax deductions](#) small business owners can claim. It also often makes sense to set up a Limited Company.

What Will You Save?

Say you earn £15,000 through your own business, as a sole trader. You would pay over 12% of your gross salary in tax and NI, meaning you would take home £1096 per month (out of £1250 earned). Let’s say you could legitimately expense just 10% (£125) of your outgoings each month. That would effectively reduce your earnings to £13,500, which would mean you keep £1011 after tax.

However, if you weren’t a business, you would have paid the £125 in expenses out of your own pocket (“post-tax” pounds), which means you’d have £1096 - £125 = £971 left for yourself. So expensing 10% of your revenue would save you **£40 per month**.

You can make further savings by running your business through a limited company, which means you only pay yourself the tax-free allowance as salary. The rest of your profits are paid out as dividends to shareholders, which incur less tax than salaries.

[This page](#) gives an illustration of the tax advantage of having a limited company (where you pay yourself dividends out of profits), versus being a sole trader (where all profits are counted as your personal income). Taking the example of a small business that generates annual profits of £15,000...

Your tax as a **sole trader** would be...

- Income tax (£15,000 - 8,105) at 20% = £1,379
- Class 2 National Insurance (£2.65 x 52) = £138 (rounded)
- Class 4 National Insurance (£15,000 - 7,605) at 9% = £666 (rounded)
- Total tax: £2,183
- So profits after tax are **£12,817**

But if you ran the business as a **limited company**, the tax would work out lower...

- Pay salary of £624 / month = £7,488 (the current tax-free allowance, which is an allowable expense from the profit).
- So the taxable profit becomes £15,000 - 7,488 = £7,512
- Corporation tax on the profit is 20% = £1,503
- The profit of £7,512 is distributed from the company as a dividend and no further income tax is due on the dividend as the total income is below the higher rate threshold.
- So the total available after tax is the available profits + salary - corporation tax = **£13,497**
So with profits before tax of £15,000 you would be better off as a limited company by **£680**; that's over **£50 per month** more in your pocket.

An important tip I'd add is, if you're running a company, don't automatically go down the road of getting a business bank account or business mobile phone contracts. These tend to be quite expensive compared to personal equivalents.

Big Idea 11: Invest in Good Quality Stuff

It can make sense to buy some things cheap, as we'll see. But here's a key principle:

Don't buy cheap crap!

I have long noticed that buying cheap stuff is one of the ways that poor people stay poor.

For example, you could buy a pair of cheap shoes for £20 that last six months before they fall apart. Two pairs per year cost you £40. Or you can spend £300 on a pair of hand-made leather shoes that could last you twenty years or more. That's £15 per year - less than **half the cost** of the cheap alternative.

If you have good stuff, you will also find it is more repairable, so you'll throw less away, replace less, and enjoy the benefits of your property for far longer.

Buy Old

House clearance auctions can be a great way to furnish and kit out your home, and it makes a lot of sense to buy stuff that is **already old**.

We deliberately invest in old furniture and tools, as they're more likely to last than new equivalents. As we've seen, much of the stuff on sale today is not necessarily designed with long use in mind. Fashion and business economics depend on us buying new stuff repeatedly. That was not the case just a few decades ago.

Clothing, tools, and furniture that were hand-crafted by previous generations were often far better-made than the stuff we buy today. Clearly, you can expect old stuff that has survived for dozens (maybe even hundreds) of years is likely to survive for a lot longer, and is sure to deliver far better long-term value than modern-made equivalents.

Let me give you just a few examples...

At our local auction we bought a beautiful set of French-style bedroom furniture comprising two headboards, two dressing tables, a set of drawers, and a wardrobe, all for £350 - **far less** than the price you would **pay for one** comparable new wardrobe at John Lewis, for example! And this antique furniture is very well made.

We also bought two of these huge bookshelves with quarter-inch-thick plate-glass shelves from an office clearance warehouse: paying **just £90 for the pair**.



An equivalent-sized modern piece from IKEA costs **£225 for one** (£450 for two), **five times what we paid**. And I guarantee our shelves will last for decades longer!



BILLY

Bookcase with glass door, black-brown

£225

Article Number : 898.951.85

[Read more](#)

Size
120x237 cm

Our home kitchen table is an enormous, solid mahogany former boardroom table, sourced from the same office clearance warehouse as the shelves. We paid just £130. An equivalent table would cost upwards of £1000 from a regular retailer.

I have also invested in whole boxes of old wooden-handled hand tools and garden tools, paying £10 or less at auction: kit which I know will last me for decades if well cared for.

Of course, it would be impossible to find the time to source these amazing deals when you're stuck in the 9-5 rat race. There just aren't enough hours in the week. It's another example of how working-for-time can deliver amazing compound benefits.

What Will You Save?

- Who can say? But we could extrapolate the example of buying high-quality shoes. Say, for example, you have take-home pay of £1379 per month (on £20,000), let's say you spend 10% of that on physical items (clothes, furniture, tools, etc). If buying good-quality makes your money go at least twice as far, in the long-run you'll end up saving around **£69 per month** by not having to keep buying replacement stuff.

Big Idea 12: Save On Groceries

The average UK family spent £56.80 per week on food and non-alcoholic drink in 2012 ([source](#)).

This is one of the areas where you can pay a huge premium for convenience, and one of the areas where you can immediately save a significant amount of your monthly budget.

Of course, UK supermarkets are really cheap, right?

Wrong. I'm going to show you how to slash your grocery budget... if you have the time!

Short-Date Products

This tactic depends on understanding what “best before” and “use by” dates on food labelling actually mean.

- “Use by” means that there are potential **health risks** if the product is not consumed by the date shown.
- However, “best before” means that **certain qualities** of the product may degrade after that date. It might show changes in colour, texture, or flavour. But it won't do you any harm.

Even things like Coca Cola has a “best before” date. How can Coke go bad? It is full of sugar (which is a preservative), battery-strength acid, and carbon dioxide! You can use this stuff to clean toilets, so what can possibly make it go off?

So, in many cases, “best before” is quite meaningless. And to throw away perfectly good food and drink because it's past that date is insanity!

“Society's adherence to 'best before' labels is symptomatic of our over-sanitised attitudes to food today and a culprit in creating Britain's 5.3 million tonnes of food waste each year.” ([Source “Bin the best-before label, not the food”](#))

Here's another article I saw that was just published yesterday (May 2014)...

“The foods you can eat WEEKS after their best-before date: From vegetables to chicken, we reveal how you can tell if it's still fresh enough to consume.” ([Source](#))

Here's the loophole. Big retailers are unwilling (or unable) to sell grocery products near or after their “best before” dates on their own shelves. (You may sometimes see a “display until” date, which is for the retailer's own guidance only.)

When the supermarkets have a load of some product that is not going to make it through the distribution and retail system with enough time left on the clock, what they do is sell it off in bulk to businesses who specialise in the clearance of “short-date”, “near-date”, or “past-date” goods. These guys in turn sell it to consumers.

And you'd be amazed at how much this can save you!

You may not have ever thought about it this way, but pushing your trolley into Tesco with all the other zombies on a Saturday morning is an act of convenience, and that means you're falling into convenience-tax!

But shop online with one of the short-date specialists, and you can save a fortune.

Here's one bargain I just spotted today...



SPECIAL OFFER CASE PRICE One
Sparkling Spring Water 24 x 500ml
by One



each: **£1.49** (~~£12.00~~)

Limited to 2 per customer

Qty: **1**

Best Before: **30 Jun 2014**
Promotion: **SPECIAL OFFER CASE PRICE**

Notice, that says “Best Before 30 Jun”, and I’m writing this on the 29th of May, so there’s a full month left even before the “best before”, which we know is pretty meaningless anyway. If you were to buy a case of this water, and store it in a dark cool place, you’d save over 87% of the regular retail price!

At our house we have a cellar full of packaged drinks, which we buy in bulk when we find ones we want at the right price. No one in our house has to think twice before grabbing a can or bottle. Plus we have a pantry full of every ingredient, sauce and condiment we could ever need.

I could give you hundreds more examples of how you can take advantage of this to save typically **two thirds of the retail price** on pantry foods (stuff that does not go off quickly), but I’ll let you browse for yourself...

Here are just two of the websites that we have used...

- <http://www.approvedfood.co.uk/>
- <http://www.clearancexl.co.uk/>

What Will You Save?

- If the typical family spends £56 per week, and assuming you save **minimum 50%** compared to retail price on **half** of those items by ordering from these short-date distributors, you’ll likely save **at least £110 per month**.

Shop Around

Supermarket prices are not always high. It is worth finding out when your local stores mark down their goods. Our local Sainsbury’s, for example, marks down on a Tuesday evening. You can often snap up perishable goods, like fish or fruit, for a fraction of the regular price.

It also pays to get creative about using imperfect produce. If you’re going to make a soup, or if you have a juicer, what does it matter if you get bashed-up vegetables?

All supermarkets also run offers, often loss-leaders, to get people through the doors. Some of these offers can be outstanding value. When you find great offers on products that don’t go off, or which you can freeze, buy up as much as you can. Just avoid filling your basket with premium-priced stuff you can get cheaper elsewhere.

Which leads us on to the next tip...

Buy In Bulk

Convenience is tax. Just popping to the corner shop to get a toilet roll or some tea bags may be convenient, but do you realise how much it really costs?

Let's take toilet rolls as an example...

- Costco bulk price: 48 rolls for £18.99 = 39.6 pence per roll.
- Tesco price: 8 rolls for £3.50 (on offer) = 43.75 pence per roll.
- Our local petrol station convenience store: 2 rolls for £1 = 50 pence per roll.

Now, toilet roll is a pretty cheap commodity item. Bulk-buying at a wholesaler like Costco will deliver a saving of just 4p per roll, compared to shopping around for the best offers at supermarkets. If your family goes through 1 roll per day, that will save you just £14.40 a year. That is not a massive saving, but we look out for their offers too. Plus, having a whole bale of toilet roll stashed away means that we'll never be the position of having to convenience-buy at the local corner shop or petrol station.

Costco is by no means the cheapest cash and carry. They stock high-quality items at decent prices (think the John Lewis of wholesale). But, like most retailers, they also run their own discount offers.

For example, yesterday, we bought a giant bag of 480 Yorkshire Tea tea bags for £5.99, a £2 discount off the regular price. The exact same item in Tesco costs £10.99 - 83% more! (And we'll never need to grab a box from the petrol station at several times the price.)

What Will You Save?

- We haven't done a long-term calculation on these savings. Clearly, you won't save anything in the short term, as you have to spend more up-front to buy in bulk. But, in the longer term, I estimate you might save a further 10% of your grocery budget, probably worth **over £20 per month**.

Pet Food

Feeding pets can be a significant weekly expense. We have five dogs, a cat, and four ducks, but by buying cleverly we save a huge amount compared to paying supermarket prices.



The sack on the left is the dog food we get from our local animal feed specialist. It's very high quality, but costs just £11.49 for 15 kilos (77p/kg). Compare the price of Bakers from Tesco at £11.59 for just 5 kilos (£2.32/kg) that's **three times the price, and for much lower quality** too (in our opinion). With five dogs, we go through about one sackful per week, so we're saving $15 \times £1.55 = £23.25$ every week, or £1209 a year.



Here's the Carrefour-branded cat food we're currently giving our cat. We paid just £2.50 per box of 24 x 85g tins (from Approved Food) a few months ago. That's just 12p per kilo. Compare the price of Whiskas pouches from Tesco at £2.92 per kilo, an unbelievable 24 times the price we paid! If one cat has two cans or pouches (about 200g) of food per day, that's 58p per day at Tesco's prices, but only 20.8p for us. That's a saving of 37 pence a day, or £135 per year per cat.

What Will You Save?

- It depends how many pets you have. The two examples above save us **£100 per month** compared to regular supermarket prices.

Home Brewing

According to this [report](#), the average British man spent £1144 per year on alcohol in 2006. That's about £17 - £22 per week, depending on where you live in the country.

A significant proportion of the cash you hand over when you buy alcoholic drinks goes to the Government in duty. If, like us, you choose to stop drinking in pubs and bars (a luxury), and

instead brew your own (for personal home use only), you **don't pay any duty**, so you immediately save a significant proportion of the retail price.

For example, if you were to buy one bottle of spirits per week, you would pay £410.80 a year **in duty alone**, according to this [online calculator](#). That's £7.90 per week, about half the purchase price.

Or say you bought ten pints of beer per week at the pub, at £3 per pint. That would mean lining the Treasury's coffers to the tune of £497 per year, another £9.56 per week (almost one third of the price of the beer).

What Will You Save?

- Homebrewed beer typically costs under 80p per pint, compared to about £2 for a bottle bought at the supermarket (or more when bought at the pub). That would save you at least £1.41 per pint. If you drink 10 pints per week, that's **£56 per month**. (Homebrew wine would work out about the same.)

For a top-quality starter kit, check out [Big Ed's Craft Ale Kits](#), where you'll pay £85 for **all** the equipment and ingredients you need to brew your first 18-pint batch. That's £4.70 per pint (similar to what you'll pay in many smart establishments), but packs for subsequent brews will cost just £12.50 per 18 pints - that's under 70p per pint!

Home Brew Spirits

Another outstanding money-saver is to make your own spirits using a tabletop still.

We have an Air Still, which you can buy today for around only £155. We start by brewing 21 litres of "wash" using 6kg of sugar, which you can get for under £1 per kilo if you shop around.

The wash is then distilled to generate about 5 litres of spirits at 40%, which can be flavoured with concentrate to taste like whisky, gin, rum, or whatever you prefer. The overall cost is around £1 per litre.

What Will You Save?

- A typical litre of vodka costs about £22. If you go through one bottle per week, making your own will save around **£80 per month**. That would pay for the investment in the still, and all the equipment you need, in less than three months.

Avoid Branded Food

Branded food isn't real food. You can't brand a great piece of beef steak, or a healthy bunch of spinach. These things are natural.

So why did brands come about? So that corporations could **own the rights** to the food they sell us. If they can protect the packaging, the logo, the recipe of secret herbs and spices, then **only they** can sell us that stuff. That means they can invest capital in advertising, ensuring that we flock to the stores to buy the stuff the ads tell us to buy.

The problem is that, in order to make food brandable, you have to process it so that it is no longer a universally-recognisable food! You have to mush it up, sugar-coat it, colour it, put it through so many dozen processes or treatments, so that it comes out the other end conforming to a standardised pattern, with the same appearance and flavour as every other blob in the packet.

And that is not healthy. The further branded “food” is transformed from its raw ingredients, the less nutritional value it is likely to have, and you’re also paying a premium to cover all the advertising, packaging, machinery, and lawyers that it takes to keep this machine rolling.

Where possible, buy locally-produced, non-branded food that’s **recognisable as food**.

As an example, let’s compare the nutritional value of [fresh, organic chicken](#) with [McDonald’s Chicken McNuggets®](#).

Organic chicken thighs (113g)

- Calories: 160 kcal
- Fat: 8g
- Protein: 21g

6 Chicken McNuggets® (96g)

- Calories: 280 kcal
- Fat: 18g
- Protein: 13g

Pound-for-pound, the fresh meat obviously has far more nutritional value. That’s because the chicken has **one** ingredient: chicken.

Now, McDonald’s advertise that their nuggets are “made with 100% chicken breast”. However, that’s only referring to the **meat portion** of the product! The McDonald’s [website](#) says the nuggets contain just 45% meat. The rest is made up of about 20 other ingredients...

- **EITHER:** Chicken Breast Meat (45%) Coating [Water, Vegetable Oil (Rapeseed, Sunflower), Wheat Flour, Maize Flour, Modified Starch, Wheat Semolina, Wheat Gluten, Breadcrumbs (Wheat Flour, Salt), Whey Powder (Milk), Raising Agents (Disodium Diphosphate, Sodium Bicarbonate), Potassium Chloride, Salt, Spices (contains Celery), Dextrose], Water, Starch, Vegetable Oil (Rapeseed, Sunflower), Natural Flavourings, Potassium Chloride.
- **OR:** Chicken Breast Meat (43%) Water, Flours (Wheat, Maize), Vegetable Oil (Sunflower, Rapeseed), Wheat Semolina, Starches, Modified Starch, Flavourings (contains Gluten), Dried Glucose Syrup, Wheat Gluten, Breadcrumbs (Wheat Flour, Salt), Raising Agents (Disodium Diphosphate, Sodium Hydrogen Carbonate, Potassium Hydrogen Carbonate, Mono-Calcium Phosphate), Potassium Chloride, Spices (Pepper, Celery), Salt, Sugar, Celery Extract. Prepared in the restaurants using a non-hydrogenated vegetable oil

It’s interesting to note that the McDonald’s [website](#) also provides the following notes on the product...

“They are perfect for dipping.

*Nutrition and allergen information **do not include dips.**”*

So there's a massive disparity in nutrition, which comes as no surprise. What about price? Many people tend to think McDonald's is quite cheap. Does that mean it's good value?

Tesco's whole organic chicken costs **£6.50 per kilo**.

A serving of Chicken McNuggets® is £2.29. That's £23.85 per kilo. But because it's only 45% chicken meat, that actually works out at **£53 per kilo** of chicken - over seven times more expensive!

What Will You Save?

- Does it really matter? Which would you rather feed your kids?
- But say you buy eight portions of McDonald's per month (2 visits for 4 people). Comparing fresh, raw chicken from a supermarket to McNuggets on a price-per-kilo basis (and not counting fries or drinks) you would spend £18.32 on just 768g of the fast food. The same weight of fresh, organic chicken costs just £4.99: a **saving of £13.33** on eight portions.

Grow Your Own

Growing your own can save you a significant amount of money...

"Research from the National Society of Allotment & Leisure Gardeners has found that allotment holders spend an average £202 growing vegetables and fruit every year that would sell for £1,564 in shops." ([Source](#), article from 2011)

That's a £1362 annual saving, or **£113.50 per month**.

But saving money is only the beginning! Working the land also brings incalculable benefits to your health and wellbeing.

- It gives you fresh air and exercise, so you can cancel that gym membership. (We just cancelled our family gym membership, saving £60.99 per month.)
- You'll get better-quality, far fresher, organic produce than you'll find in a supermarket (which takes weeks to get to the shelves). Plus there's a huge sense of satisfaction, which money can't buy. There is nothing like being able to walk out to the garden, pull some carrots out of the ground, and be tucking into them ten minutes later.
- Everyone knows seasonal, local food is best. It's almost certainly healthier than what you'll get in the supermarket. It also requires a lot less fuel to get to your table. Plus, eating what's in season keeps you more intimately in touch with nature.
- Growing food with kids, combined with home-educating, means you're doing biology, geography, and economics, and that's not counting the health benefits to the kids of fresh air and exercise.



Our kids planting kale seeds in a veg plot we'd created out of a nettle jungle. It took three hours to dig over an eight square metre plot, but that was better exercise than three hours in the gym!

Growing your own veg is pretty time-intensive, particularly in the short-term. Is it worth it, on a time-cost / money-saved basis? If you enjoy it, the question is redundant. Do you ask a golfer if buying a set of golf clubs is good value-for-money?

You may be thinking, "There just isn't enough room in our flower beds to grow much veg." You may be right. If you really don't have room to grow some veg, you could get an allotment. Councils have a statutory obligation to provide allotments wherever there is a clear demand.

But consider that, just a few decades ago, the typical British cottage garden was full of flowers and produce. Lawns are a modern luxury!

The first people to have lawns were aristocrats. A large, manicured stretch of grass was a way to show off just how rich you were. Because a lawn is wasted land. All other land was used for growing or grazing. To be able to display acres of non-productive grass, and to afford a small army of gardeners to keep it weed-free and tidy, was the ultimate in ostentation.

Somehow, the growing middle class adopted the practice of keeping lawns, which are still quite labour-intensive and costly to maintain, even with today's weedkillers and chemical additives. So why not dig up that useless lawn and put your land to good use!

It is also immensely satisfying to cook with your own ingredients. The more processed something is, the further removed it is from the raw ingredients the less healthy, and the more you have to pay for all those processes!

Another tip I'd recommend is to get rid of your microwave. Most microwave meals are highly processed and unhealthy. (However, the claims that microwave cooking damages DNA are almost certainly false.)

Eggs

Eggs cost a fortune! In Tesco, you'll pay £1 for half a dozen.

Keep chickens (or, even better, [ducks](#)), which will also help remove bugs from your garden, fertilise the soil, and provide far healthier, fresher, and tastier eggs than you'll find in the shops.

Alternatively, contact a local egg farm and see what they do with their "visually imperfect" eggs. We get perfectly good eggs for £1 per **thirty**! That's one fifth of the cost of Tesco's eggs! Using a dozen eggs per week, that saves us about **£5 per month**.



We pay just £2 for two whole trays of "visually imperfect" eggs.

Forage

Foraging is quite trendy these days, but it's also a lot of fun, and really helps connect you more closely to the seasons.

Where we live, we've found raspberries and blackberries growing wild. We easily learned to identify "shaggy parasol" mushrooms, which are far tastier than the bland white mushrooms you get in the shops, and could pick all we wanted through the autumn months right from the woods by our house.

Right now there's an abundance of wild garlic. Who knows what else we'll find in the rest of the year!

Check out [Trinity's foraging guide](#), which lists the benefits of other freely-available foods, from dandelions and nettles to hawthorn and Good King Henry.

I have only scratched the surface of what it's possible to do for yourself. If you're interested in taking self-sufficiency further, the absolute compendium on the subject is [John Seymour's "New Complete Book of Self Sufficiency"](#). I must have bought half a dozen copies of this over the years to give to friends. It is excellent!

Big Idea 14: Join Forces

According to the rules, the game should be played solo, with all players against each other. But you don't have to play it that way!

Talk to your neighbours and you may find you're part of a community of like-minded people. With a little bit of creative thinking, and letting go of "mine, mine, mine" you can build an even richer life in community than you ever imagined!

Here's a bunch of ideas to get you going...

Share Stuff

There is no need for every family to own their own equipment for every occasion. Instead of buying your own, why not share! You may also find you can afford far better-quality stuff!

Here are a few things you might consider clubbing together on: Lawn mowers, garden tools, power tools, alcohol stills, barbecues, musical instruments, hair clippers, trailers, ladders, compost, caravans, boats, firewood, hot tubs, camping equipment, apple presses, bicycles, air rifles... The list really is endless.

Swap Services

You may love gardening, mowing, ironing, bookkeeping, DIY, sewing, knitting, carpentry, decorating, massage, car maintenance, cooking, computing, dog walking, jet-washing, or teaching music...

Or you may really not like those things. We're all different. So why not do more of the things we enjoy doing, and do them for other people to? In return, they might do some of the stuff we don't much like.

Instead of paying someone you don't know to provide these services, we can all save a lot of money by helping our neighbours and letting them help us in return.

Start a Local Gym

Create a gym in a garage for the whole street or neighbourhood to use. If everyone chips in, there's less redundancy and everyone can save a two-figure sum every month compared to going to your local council-run or commercial gym.

Our family membership was £60.99 per month. If you had 15 families paying £60, that's a £900 saving per month. A high-quality treadmill costs under £1000, but other equipment, like exercise

cycles and free weights, cost far less. I estimate that 9 months' worth of gym fees could buy enough equipment for 20 people to work out at the same time.

Driving Lessons

[According to USwitch](#), the average learner spends £1128 on lessons (at £25-£30 per hour). You can slash hundreds off this total with this idea. If you can get access to some local waste land, club together with your teenage kids' parents to buy an old car, leave it on the waste land, and use it to teach your kids basic driving skills in a safe environment.

This way, they can start to master the core car-handling skills at an earlier age, and that will reduce the number of lessons they need when they're old enough to drive on the roads.

Make Your Own Coffee

For many people, their daily high-street premium coffee is a little indulgence. Of course, it's a convenience, which means tax. How much better off could you be if you made your own?

A high-quality brand of espresso machine costs about about £545, and a coffee grinder about £150 (both KitchenAid). That's just under £700 for all the equipment. How long do you think it would take to pay for itself, versus buying your daily coffee from Starbucks?

A double espresso in the nearest Starbucks to me costs £2.05. However a whole bag (907g) of the same coffee beans they use in Starbucks cost me just £7.99 the other day. You'll use about 15 grams of ground beans to make a double espresso, which means you'll get 60 doubles for £7.99.

I created an [online spreadsheet](#) to work out how long it would take to pay for your own espresso system. If you made one cup each day of the week, you would repay the coffee machines in exactly one year.

But what if you had your friends over every morning for coffee and served 50 cups per week? Then, your investment would pay for itself within just 8 weeks!

Share Entertainment

According to the [ONS report of UK household expenditure \(2012\)](#), recreation and culture is the third biggest expense for UK families at £61.50 per month on average, ahead of groceries!

Here are some ideas for cutting some of that cost...

Books, CDs and DVDs are pretty expensive, and if you just buy your own, you're paying a premium for them to spend most of the time gathering dust. Even renting movies and games is an expensive option.

One idea is to join your local library, and rent them for nothing. Most libraries usually lend music CDs and movies on DVD as well.

Alternatively, create your own **community library**. When your friends come round each morning for their coffee, to share stories, and to pick up or drop off tools, they can bring or take CDs, movies, books, and video games from your shared library. You'll minimise redundant shelf-time, so you'll all save money.

If you like live music, forget about paying premium prices for large stadium concerts and festivals, Find a local pub with live, acoustic music, which is free and thoroughly enjoyable. Some of my best ever nights out have been playing guitar at my favourite folk night.

Making your own music is incredibly rewarding. You can buy a good acoustic guitar new for the price of about 20 CDs.

Love going to the cinema? How about making your own? You can get a really good digital projector for [about £600](#) these days. Pair that to a surround sound system and Blu-Ray player combo ([also about £600](#)), and you have a complete home cinema for just £1200. Cinema tickets for adults cost about £9 each, and you'll usually pay the same again on refreshments, which means you could pay for your own community cinema for the price of **under 70 individual visits** to the local picture house.

Summary

First, figure out by how much your take-home pay would drop if you cut your hours to a sensible level - say around 20 hours per week (using this [online calculator](#)). This does not take into account Income Support, Tax Credits, or all of that stuff, which you could figure out at [EntitledTo](#).

Gross Annual Earnings	Annual Take-Home Pay	Percentage You Take Home	Monthly Take-Home Pay
£7000	£7000 (not taxed)	100%	£583
£8000	£7994	99.9%	£666
£9000	£8850	98.3%	£737
£10,000	£9754	97.4%	£812
£11,000	£10,298	93.6%	£869
£12,000	£11,114	92.6%	£926
£13,000	£11,794	90.7%	£982
£14,000	£12,474	89.1%	£1039
£15,000	£13,154	87.7%	£1096
£16,000	£13,834	86.5%	£1152

£17,000	£14,514	85.4%	£1209
£18,000	£15,194	84.4%	£1266
£19,000	£15,874	83.6%	£1322
£20,000	£16,554	82.8%	£1379
£25,000	£19,954	79.8%	£1662
£30,000	£23,254	77.5%	£1946
£35,000	£26,754	76.4%	£2229
£40,000	£30,154	75.4%	£2512
£45,000	£33,241	73.9%	£2770
£50,000	£36,141	72.3%	£3011
£55,000	£39,041	71.0%	£3253
£60,000	£41,941	69.9%	£3495

Next, consider the potential typical savings you could make by reinvesting your time as time-to-save in the following areas.

Area	Action	Typical Monthly Saving
Debt	Get rid of credit card debt	£30 (per £1000 of debt)
	Bankruptcy (based on average UK family debt of £54,000)	£1620
Travel	Give up car	£425
	Use biodiesel	£90
Housing	Move out of town	£700
Home-education	Scrap part-time nursery and after-school club for 2 kids	£629
	Scrap full-time childcare for 2 kids	£975
	Remove 1 child from private education	£1359
Be Your Own Boss	Saving on business expenses (based on 10% of £15,000 turnover)	£40
	Run small business as limited company	£50

	(£15,000 turnover)	
Invest in good-quality stuff	Estimated long-term saving assuming you spend 10% of take-home pay and save 50% in the long-run	£40 - £70
Groceries	Buy short-date pantry goods	£110
	Buy in bulk	£20
	Pet food (bulk/short-date)	£10 - £100
	Home-brewing Beer, based on 10 pints per week	£56
	Home-brewing Spirits, based on one bottle per week	£80
	Give up takeaways	£13 - £100
	Grow your own fruit & veg	£113
	Get your own eggs, or source “visually imperfect”	£5

Do the sums for yourself.

Switching from earning £30,000 to £15,000 only means £850 per month in your pocket. That’s less than what it typically costs to pay a stranger to look after your kids full-time.

What would it really cost you financially to double your spare time? How easily could you recover those costs, starting with ideas from the list above?

It’s Time For Action

The seconds of your life are ticking away. There is no stopping it. No amount of money can buy back past days, months, or years.

Did you write a list of what richness means to you? Was it full of **things to own** (which require money) or **things to do** (which require time)?

What are you going to do with that realisation? I can’t tell you what’s right for you, but I can share some stories with you.

Take 90 seconds to [watch this short video clip](#), which is not only funny but sums up the money-work-time trade-off beautifully.

Australian palliative nurse Bronnie Ware spent her working life caring for people in the last few weeks of their lives. She collected their dying thoughts in a blog, and in March 2012, published a book called “The Top Five Regrets Of The Dying”.

Here's her list, with her comments...

1. "I wish I'd had the courage to live a life true to myself, not the life others expected of me."

"This was the most common regret of all. When people realise that their life is almost over and look back clearly on it, it is easy to see how many dreams have gone unfulfilled. Most people had not honoured even a half of their dreams and had to die knowing that it was due to choices they had made, or not made. Health brings a freedom very few realise, until they no longer have it."

2. "I wish I hadn't worked so hard."

"This came from every male patient that I nursed. They missed their children's youth and their partner's companionship. Women also spoke of this regret, but as most were from an older generation, many of the female patients had not been breadwinners. All of the men I nursed deeply regretted spending so much of their lives on the treadmill of a work existence."

3. "I wish I'd had the courage to express my feelings."

"Many people suppressed their feelings in order to keep peace with others. As a result, they settled for a mediocre existence and never became who they were truly capable of becoming. Many developed illnesses relating to the bitterness and resentment they carried as a result."

4. "I wish I had stayed in touch with my friends."

"Often they would not truly realise the full benefits of old friends until their dying weeks and it was not always possible to track them down. Many had become so caught up in their own lives that they had let golden friendships slip by over the years. There were many deep regrets about not giving friendships the time and effort that they deserved. Everyone misses their friends when they are dying."

5. "I wish that I had let myself be happier."

"This is a surprisingly common one. Many did not realise until the end that happiness is a choice. They had stayed stuck in old patterns and habits. The so-called 'comfort' of familiarity overflowed into their emotions, as well as their physical lives. Fear of change had them pretending to others, and to their selves, that they were content, when deep within, they longed to laugh properly and have silliness in their life again."

Do you still really think you need to work for more money? No!

When the end finally comes, what really matters to you will be that you lived a life true to yourself, focused on what really mattered, expressed your true feelings, stayed in touch with your friends, and let yourself enjoy the incredible richness that life on this Earth has to offer.

Money won't come into it! You can't take it with you!

When you acknowledge you're already rich, that you don't need more, and can stop worrying so much about physical security, **amazing things start to happen.**

I experienced a sense of friction disappearing from my life. Areas where I knew I had been compromising for years just seemed to resolve themselves.

I realised that it's possible for everyone to be truly rich, and that we really can eradicate poverty, if we could only share a bit more.

I knew how we could rearrange modern life so that we minimise our impact on planet Earth, our home.

And I was overcome with the awareness that these things really mattered to me all along! When I took attention off my own greed, I felt a huge swell of compassion for our worldwide community.

That's my story, so far... What's yours?

Three next steps...

- [Please join my free Facebook group](#), where you can ask questions, get inspiration, share tips, and tell your own story. As interest grows, we may even be able to set up local groups!
- With that in mind, please tell your friends about this book.
- And please at least make just one change that gives you more time and see how it works for you.

Thank you!

A handwritten signature in black ink that reads "Ben". The letters are cursive and slightly slanted to the right.