MONEY TRIP

Your money. Your life. Your call.

A 60-minute financial literacy workshop — three ideas, one live game, and the forty years between age 15 and age 55.

IDEA 1

Spend less than you earn

IDEA 2

Start early — time does the work

IDEA 3

Keep a cash buffer

What we are going to share with you

Three ideas. That is the entire session — everything else is practice.

1

Budget and save

Spend less than you earn, on purpose. The gap between those two numbers is the whole story.

2

Compound interest, both directions

Money left alone grows. So does money you owe — faster, and pointed at you.

3

Keep an emergency fund

Cash you never touch. It is what stops a bad week from becoming a bad decade.

You will meet each of these three times: we explain them, you play them, then we say them again. The repetition is the point.

The next 60 minutes

Three phases. You will spend more time playing than listening.

1

LEARN

10 min

The three ideas, with a short activity attached to each. No notes needed — just your hands and your voice.

2

PLAY

about 15 min

In tables, you live from 15 to 55 — four cycles, one decade of your life in each.

3

DEBRIEF

about 15 min

We compare what happened at each table and turn it back into the same three ideas.

Plus about 5 minutes to settle, form tables and open the game.

PART 1 · LEARN · 10 MINUTES

Three ideas that decide your financial life

Almost everything else in personal finance is detail. These three are structure.

1 **The sixpence rule**

Budget and save

2 **The snowball**

Compound interest, both ways

3 **The oxygen tank**

An emergency fund

1

THE SIXPENCE RULE

Budget and save

Annual income twenty pounds, annual expenditure nineteen nineteen and six, result happiness. Annual income twenty pounds, annual expenditure twenty pounds ought and six, result misery.

Mr Micawber · Charles Dickens, David Copperfield, 1850

SIXPENCE

6d

half a shilling —
the entire difference
between the two lives

DO THIS NOW Hands up if you have ever run out of money before the end of the week. Keep them up — look around the room.

The gap is the whole story

IDEA 1

Same income. Two futures. Forty dollars apart.

ALEX

Earns this month	**$1,000**
Spends this month	**$980**

+$20 saved this month

Alex now owns something. Small, but it is theirs — and next month it starts earning.

VS

SAM

Earns this month	**$1,000**
Spends this month	**$1,020**

–$20 borrowed this month

Sam now owes someone. That $20 grows on its own — and next month starts $20 behind.

DO THIS NOW Turn to the person beside you. Thirty seconds each: name one thing you paid for this week that was a WANT, not a NEED.

2

THE SNOWBALL

Two friends. One question.

ASHLEY

Starts at 18, stops at 28

Invests $2,000 a year

for 10 years — then never adds another dollar.

Total of their own money in

$20,000

JORDAN

Starts at 28, never stops

Invests $2,000 a year

every year until they turn 60.

Total of their own money in

$64,000

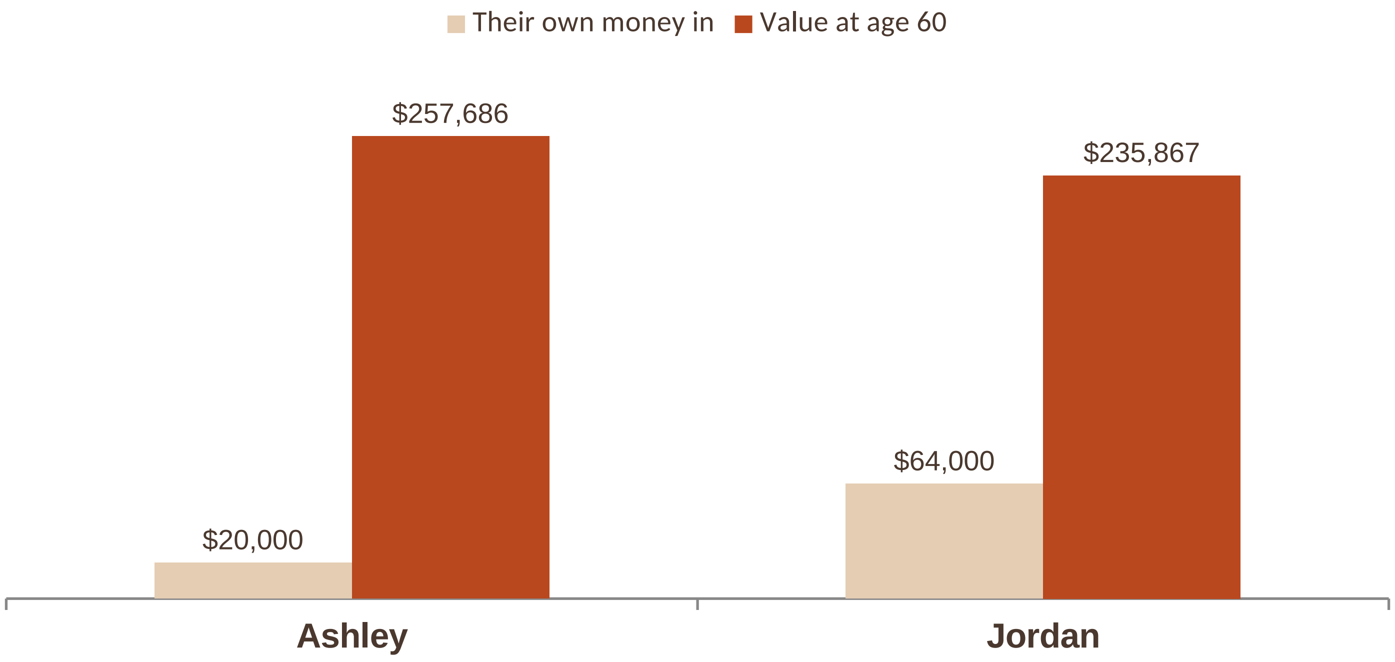
Both earn 7% a year — the long-run average of a diversified share fund. Neither ever withdraws.

VOTE WITH YOUR FEET

At age 60, who has more money? LEFT WALL = Ashley · RIGHT WALL = Jordan · MIDDLE = about the same

Ashley wins — by not being late

Ashley stopped investing before Jordan started, and still finished ahead.



$21,819

further ahead at 60 — while putting in $44,000 less of their own money.

The only difference was ten years of a head start. Ashley's early dollars had longer to grow — and growth grows too.

> *My wealth has come from a combination of living in America, some lucky genes, and compound interest.*
>
> Warren Buffett · Giving Pledge letter, 2010

Rule of 72: at 7%,
money doubles every 10 years

IDEA 2

The same force, pointed at you

Compound interest does not care which direction it runs.

A $2,000 credit card

21% p.a. — the average standard purchase rate on an Australian credit card. You pay only the minimum each month.

Time to clear it	**13 years**
Total you repay	**$4,938**
Interest handed to the bank	**$2,938**

“Pay later” is still debt

Four instalments, no interest — as long as nothing goes wrong.

- Miss a payment with Afterpay and late fees reach $68, capped at 25% of the order value.
- On a $100 purchase that is a $10 fee on a $25 instalment — 40% of it, for being a few days late.
- Since June 2025 it is regulated as credit in Australia, and missed payments reach your credit file.

$2,938 of interest on a $2,000 purchase.

That is a second-hand car, a year of driving lessons and insurance, or four return flights to Bali — paid to a bank in exchange for nothing.

Buy experiences, not things

IDEA 2

Two purchases, same price. Only one of them is still paying you back in three years.

A THING

$500 on the new phone

Day one it is exciting. By month three it is just your phone. Researchers keep finding the same shape: satisfaction with a material purchase drifts DOWN after you buy it.

AN EXPERIENCE

$500 on the road trip

Day one it is good. Three years later it is a story you still tell. Satisfaction with an experience drifts UP — you adapt to objects far faster than to memories.

DO THIS NOW Turn to the person beside you. Thirty seconds each: the best thing you DID last year, and the best thing you BOUGHT. Which would you pay for again?

THE EVIDENCE Van Boven & Gilovich (2003) and Gilovich & Kumar (2015) found experiential purchases beat material ones for happiness, and the gap widens over time. Nicolao and colleagues (2009) showed why: you adapt to things faster. In the game, experiences carry a bonus that keeps growing — things fade.

3

THE OXYGEN TANK

Keep an emergency fund

Cash, though, is to a business as oxygen is to an individual: never thought about when it is present, the only thing in mind when it is absent.

Warren Buffett · Berkshire Hathaway shareholder letter, 2014

Buffett runs one of the largest companies on earth and still keeps a mountain of cash doing “nothing”. He is not being timid. He is buying the ability to never be forced into a bad decision.

43% of Australians have less than $1,000 in savings

$215 average balance in that group

18% have nothing saved at all

Finder Consumer Sentiment Tracker, May 2025 (n=1,310)

Your car needs $1,200 — today

IDEA 3

Without it you cannot get to work. Four doors. Choose one.

A

Pay from savings

Costs you: $1,200

The boring answer. It is also the only one where the problem ends today.

B

Put it on a credit card

Costs you: $1,200 + 21% a year

Minimum repayments turn a one-week problem into a multi-year one.

C

Use buy now, pay later

Costs you: $1,200 + fees if you slip

Four payments due whether or not the next surprise arrives first.

D

Ask family for help

Costs you: the relationship risk

Sometimes right, never guaranteed, and not a plan you control.

DO THIS NOW Four corners of the room, A to D. Stand at your answer, then be ready to defend it in one sentence.

Hold on to these three

You are about to watch all three of them happen to you.

1

Spend less than you earn

Decide the gap on purpose. Sixpence either way was the whole difference.

2

Start early, and beware 21%

Growth earns growth. So does debt — and it compounds faster than your pay rises.

3

Keep cash you never touch

Emergencies do not book an appointment. Cash turns a disaster into an inconvenience.

Next: you get $10,000 and forty years — four cycles, one decade each. Highest Life Score wins.

PART 2 · PLAY · ABOUT 15 MINUTES

Forty years, about fifteen minutes

You are 15. Someone hands you $10,000. Everything after that is your call.

$10,000

to start, at 15

4

cycles — one decade each

3¾ min

= 10 years of your life

★ Life Score

decides the winner

Everything you need to play

2 MIN

Three things on your screen. One rule for winning.

YOUR SCREEN

SAFE TO SPEND

The big number. Your cash, minus the costs still coming this stage, minus your buffer. Watch this one thing.

The shop

Things and experiences, each worth points from your life. Experiences carry a bonus that keeps growing. Things fade.

The clock

Each cycle is one decade of your life. When it hits zero, time moves whether you are ready or not.

HOW YOU WIN

Highest Life Score at 55. Not most money.

- **Card debt** costs you points every minute it exists, at 21% a year.
- **An emergency with no cash** forces a fire sale of your investments at a 30% loss.
- **Every $1,000 still yours at 55** is 1 point — so a purchase must give back more joy than it costs.

FOUR CHECKPOINTS At ages 25, 35, 45 and 55 your screen shows a score and a three-letter code. Shout out both — the code proves the score is real.

Tables — ready?

Check all four before I start the clock.

- Open the game on your table's device
- Type in a table name
- Agree who drives — everyone decides, no silent passengers
- Wait for GO before anyone presses START

ABOUT

15 MIN

of play from here

Facilitator: open the game in a second window, choose “I'm the host”, tables join with the four-digit room code, then press GO.

PART 3 · DEBRIEF · ABOUT 15 MINUTES

The same three ideas, now that you have lived them

The game was rigged — not against you, but towards the three ideas. Here is where each one showed up.

Before we explain anything

2 MIN

Ask the room, not the slide. Take short answers and keep moving.

To the winning table

"What did you buy that you are still glad about?"

"What did you say no to?"

"Did you ever go into the red? What pulled you back?"

To the table that finished last

"What would you do differently in the first ten minutes?"

"Which purchase felt great and then hurt?"

"When did you first realise you were behind?"

Watch for this answer, because it is the lesson:

the winning table is almost never the one that spent the most — and what they did buy was usually experiences.

1

IDEA 1 IN THE GAME

The green number was Micawber

You were paid ten years at a time, and ten years of rent, food, mortgage and kids came straight back out. That is real life on fast-forward: the money keeps arriving, and so do the bills.

SAFE TO SPEND was doing one job: keeping you sixpence on the right side of the line. Every table that ignored it ended up on a credit card, and the card never forgets.

> *…expenditure nineteen nineteen and six, result happiness. …expenditure twenty pounds ought and six, result misery.*
>
> Mr Micawber, 1850

DO THIS NOW Hands up: whose table went red on SAFE TO SPEND at least once? What were you buying when it happened?

Real-world version: a budget is just deciding your gap before the month decides it for you. Pay yourself first — move savings out on payday, not on whatever is left at the end.

2

IDEA 2 IN THE GAME

You already own a compound interest account

Super did the heavy lifting

Nobody in this room chose to invest in super — your employer put 12% of every pay into it automatically, and you could not touch it until 60. For most tables it finished as the single biggest number on the screen.

When you start your first real job that account is already working. Two things matter: know which fund it is in, and never lose track of it.

And the debt did the same, backwards

Every table that carried card debt watched it grow while they slept, at 21% a year, and lost points every minute it existed. Nobody ever paid it off quickly by accident.

Same maths as super. Opposite direction. Aimed at you.

DO THIS NOW Shout out your table's final super balance. Now remember: not one of you chose it. That is what forty years of not touching something looks like.

Rule of 72: divide 72 by the interest rate to get the years it takes to double. At 7% that is 10 years. At 21% on a credit card, it is under four.

3

IDEA 3 IN THE GAME

Four emergencies. All of them before payday.

Ages 15–25	Ages 25–35	Ages 35–45	Ages 45–55
Car dies + dental	Recession — six months out	Kid's arm + leaky roof	Health scare + parents
$6,000	**$35,000**	**$45,000**	**$55,000**

If you had cash

You paid it, lost a few points, and carried on. The emergency was an inconvenience — nothing more.

If you did not

A forced fire sale of your investments at a 30% loss, a stress penalty that scaled with the hole, and whatever was left went onto the card.

Selling in a panic is the real cost. You never choose the day an emergency arrives — so you never choose the price you sell at.

TAKE THESE HOME

Three things, and that is all

1 **Decide your gap before the month decides it**

Move money to savings on the day you are paid — not with whatever survives to the end of the week.

2 **Time beats timing, and debt beats you**

Ten years of head start outran three times the money. The same maths at 21% will run you down instead.

3 **Build three months of costs in cash, then forget it**

Not an investment. Not for a sale. It exists so that a bad week never turns into a bad decade.

None of these need a big income. All three are habits — and habits are cheapest to start at fifteen.

Three things to do this week

1 MIN

Small, free, and none of them require a job.

Open a separate savings account

Different account, ideally a different app. Out of sight really does mean out of mind. Start with $5 a week — the number matters far less than the habit.

Use the 24-hour rule

If it is not urgent, wait a day, then ask whether you will still be telling this story in three years. Experiences usually pass that test. Objects usually do not.

When you start work, find your super

Ask which fund it is going into and write it down. One fund, followed for forty years, is worth more than any tip you will ever get.

This session is general financial education, not personal financial advice. For decisions about your own money, speak to a licensed financial adviser or visit moneysmart.gov.au — the Australian Government's free, independent money guidance service.

Where to go next

Free, Australian, and none of them are trying to sell you anything.

MONEYSMART · ASIC

How to do a budget

moneysmart.gov.au/budgeting/how-to-do-a-budget

Five steps and a free budget planner. Idea 1, in a form you can fill in.

MONEYSMART · ASIC

Compound interest

moneysmart.gov.au/budgeting/compound-interest-calculator

Put your own numbers into the free calculator and watch the Ashley effect happen.

MONEYSMART · ASIC

Save for an emergency fund

moneysmart.gov.au/saving/save-for-an-emergency-fund

$20 a week is over $1,000 in a year. Sets out the three-month target plainly.

MONEYSMART · ASIC

Buy now pay later services

moneysmart.gov.au/other-ways-to-borrow/buy-now-pay-later-services

The even-handed version: the fees to look for, and what a missed payment costs you.

AUSTRALIAN TAXATION OFFICE

What is super

ato.gov.au/individuals-and-families/super-for-individuals-and-families/super/what-is-super

The official explainer for the account you will own before you own anything else.

FINDER · RESEARCH

9.2 million Australians, under $1,000 saved

finder.com.au/news/breaking-point-2025

Where the 43% figure came from, with the survey method printed at the bottom.

IF YOU WANT THE RESEARCH BEHIND “BUY EXPERIENCES, NOT THINGS”

Van Boven & Gilovich (2003), “To do or to have? That is the question” · Gilovich & Kumar (2015), “We'll always have Paris”. Both listed, with free PDFs, at thomasgilovich.com/papers

Further study — five books

Five worth borrowing. Each one goes deeper on one of the three ideas.

1	**The Barefoot Investor** Scott Pape · Wiley, Classic Edition 2022	The Australian one: a step-by-step system for splitting your pay into buckets before you spend it.	IDEA 1
2	**The Psychology of Money** Timeless Lessons on Wealth, Greed, and Happiness · Morgan Housel · Harriman House, 2020	Short chapters, stories rather than spreadsheets: doing well with money is behaviour, not maths.	IDEA 2
3	**The Little Book of Common Sense Investing** John C. Bogle · Wiley, 10th anniversary edition 2017	By the man who invented the index fund: buy the whole market, keep the costs near zero, and wait.	IDEA 2
4	**The Richest Man in Babylon** George S. Clason · first published 1926	Short parables from a century ago, and the origin of the phrase "pay yourself first".	IDEAS 1 & 3
5	**Poor Charlie's Almanack** Charles T. Munger, edited by Peter D. Kaufman · Stripe Press, 2023 edition	Warren Buffett's business partner on how to think before you invest. The hardest book here — one to grow into.	ALL THREE

BORROW, DO NOT BUY All five are held by most school and public libraries, and a library card costs nothing. If your library does not have one, ask the librarian to order it in.

You just lived forty years.

The real one is slower, and you get to change your mind more often.

> *Annual income twenty pounds, annual expenditure nineteen nineteen and six, result happiness.*
>
> 175 years old, still the shortest financial plan ever written — and the only one that fits on a slide.

Thank you for playing.

Questions are welcome — including the ones you did not want to ask in front of everyone.