



GET TOGETHER: Friends of Mary Pershouse, Whan Rowlands, Ammaree Winning and Jill Clode celebrated Mary's 70th birthday at Frenchville Sports Club. Mary received some nice surprises when cakes arrived by June and when photographer Rebecca Winning arrived to take photos so Mary could have special memories. Picture: Supplied



Take interest in compound interest

CONTINUED FROM PAGE 14

only \$42 a week but adds up to \$2184 in a year.

Let's say that instead of spending \$6 a day on lattes, the parent puts that \$6 into a 'coffee jar' (every year they add in an extra 5% to cover the rising cost of coffee). At the end of each year they invest the money in their 'coffee jar'.

Let's further assume the money invested at the end of each year earns 7 per cent a year (typical for a 'balanced' investment portfolio).

What amount would you expect to have been accumulated over 10 years? Would it surprise you to learn that it

would add up to almost \$37,000? The above diagram shows you how potent this trend becomes, as your tiny daily sacrifice gains momentum.

What's really interesting to see is that the investment returns on the latte money saved increases at an increasing rate.

It starts at zero dollars in the first year, because, of course, during the first year the parent is simply putting the \$6 a day into a 'coffee jar'.

However, at the end of the first year, and at the end of each year thereafter, the 'coffee jar' contents are invested, such that at the end of the 10th year the accumulated amount

has attracted \$9468 in returns. As Ben Franklin said, "money makes money, and the money that money makes, also makes money".

So, the next time you see an Internet meme which asks a ludicrous question such as "Could you live on an island without internet and social media for a year for one million dollars?", turn the question back to what you truly have the power to change.

What daily indulgence, no matter how innocently would you swap out in a heartbeat if you were promised a great big bank balance long after you'd finished missing that one thing?

DOES YOUR BUSINESS NEED MORE CONNECTIONS?

The Morning Bulletin Club aims to support local business cooperation through our "funtastic" networking events and regular communication of our members' offers & needs.



Call us today: 4930 4289
or email tmbads@capnews.com.au

The Bulletin
Club

Membership sales for our 2019/2020 season end October 30 and are only available to local businesses.



PRINTED AND DISTRIBUTED BY PRESSREADER
PressReader.com +1 604 278 4604
COPYRIGHT AND PROTECTED BY APPLICABLE LAW