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Cash is King

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If you understand and follow the basic principle of “Cash is King” you can change your life forever. Your life will be less stressful financially and you will be taking your first major step toward “financial peace of mind”.

“Cash is King” is an easy principle to understand; however it may be difficult to follow. This principle is the key to less stress within your financial life. Many things tell us how to manage our finances and it seems that none of them address the “root cause” of our financial problems.

The biggest problem is that we live in a world of plastic and for all practical purposes we do not respect or understand the value of cash.

If you follow this simple but different principle of “Cash is King” you will start on the road to “financial peace of mind”. Here are two basic suggestions on how to follow the principle of “Cash is King”:

- When you are paid make sure you allocate enough money to pay your rent/mortgage, utilities and any other fixed expenses you may have. Any amount of cash that is left should be withdrawn from your checking account to be used for food, clothing, gifts, entertainment, gas, etc. The best way for you to control this cash would be for you to divide and allocate certain amounts of cash for each variable expense and store this cash in labeled envelopes, like the envelopes found in the BUDGETkeeper SYSTEM.



Now remember that this cash is the only way you can spend. Once you have used all your cash there will be no spending until your next paycheck. This is tough! No credit/debit cards? You must be kidding! How will I ever get through to my next payday without using my credit/debit cards? They say smoking is hard to give up, I think sticking to the principle of “Cash is King” may even be harder!

- Stick with “Cash is King” and manage your money. You will start by finding the cheapest places to buy gas, run your errands more logically and take your morning coffee from home instead of buying that latte every day. You will have to find many new ways to manage your cash and the first few weeks will be the toughest. You may even run out of cash before your next payday, however, you will stick to the principle “Cash is King” and eventually find “financial peace of mind”.

After several weeks it will get easier to manage your cash and you will be surprised to find extra cash available before your next paycheck. What will you do with that extra cash? Many say put the extra cash into a savings account or pay a little extra towards one of your debts. I say put it in a coffee can and let it accumulate then take yourself out and have one great party!

If you can follow this principle, you will be on your way to establishing a personal/family budget. Let the BUDGETkeeper SYSTEM show you the way to “financial peace of mind”.