**The Keane Household Budget**



The Keane have the following income and expenditure for the months January to April:

Opening Cash is €250

Income:

* + Robbie earns €1800 net per month
	+ Claudine earns €1600 net per month
	+ Child Benefit is €40 per month for each child

Expenditure:

* + House Mortgage is €450 per month
	+ House Insurance is €150 per year payable in March
	+ Car Loan Repayments is €100 per month
	+ Telephone bills are €50 in Feb and €70 in April
	+ Groceries will cost €220 per month (€240 in Feb)
	+ ESB Bills are €90 in January and €110 in March
	+ Petrol costs will be €40 in Jan, €30 in Feb, €35 in Mar and €50 in April
	+ In April, presents will be €90 for each child
	+ Robbie pays €20 per month for newspaper deliveries
	+ Claudine has her hair done in Feb and March for €30 each month

Using the table on the next page, prepare a Household Budget for the family.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Planned Income** | **Jan**  | **Feb** | **March** | **Apr** | **Total** |
| Robbie Salary |  |  |  |  |  |
| Claudine Salary |  |  |  |  |  |
| Child Benefit |  |  |  |  |  |
| **Total Income** |  |  |  |  |  |
| **Planned Expenditure** |  |  |  |  |  |
| Fixed Expenditure |  |  |  |  |  |
| Mortgage |  |  |  |  |  |
| Insurance |  |  |  |  |  |
| Car Loan Repayments |  |  |  |  |  |
| **Subtotal A** |  |  |  |  |  |
| **Irregular Expenditure** |  |  |  |  |  |
| Telephone Bills |  |  |  |  |  |
| Groceries |  |  |  |  |  |
| ESB Bills |  |  |  |  |  |
| Petrol |  |  |  |  |  |
| **Subtotal B** |  |  |  |  |  |
| **Discretionary Expenditure** |  |  |  |  |  |
| Presents |  |  |  |  |  |
| Newspaper Deliveries |  |  |  |  |  |
| Hairdresser |  |  |  |  |  |
| **Subtotal C** |  |  |  |  |  |
| **Total Expenditure (A+B+C)** |  |  |  |  |  |
| **Net Cash (Total Income- Total Expenditure)** |  |  |  |  |  |
| **Opening Cash** |  |  |  |  |  |
| **Closing Cash** |  |  |  |  |  |

Answer the following questions on the Keane Household Budget:

1. What is meant by the term budget?



1. Give three reasons why the Keane family would prepare a budget?



1. Is this a good budget? Why/Why not?



1. What advice would you give the Keane family based on this budget?



1. What is meant by the term ‘irregular expenditure?



1. Based on the budget, fill in the missing figures for:

Total Income in January? \_\_\_\_\_\_\_\_\_\_\_\_

Total Expenditure in April? \_\_\_\_\_\_\_\_\_\_\_

Net Cash in Jan and Feb? \_\_\_\_\_&\_\_\_\_\_\_

Closing Cash in March? \_\_\_\_\_\_\_\_\_\_

Total Net Cash? \_\_\_\_\_\_\_\_\_

How much is Spent in total on Mortgage? \_\_\_\_\_\_\_\_\_

Closing Cash in April? \_\_\_\_\_\_\_\_

Total Expenditure in February? \_\_\_\_\_\_\_\_

Fixed Expenditure in March? \_\_\_\_\_\_\_

Total Closing Cash? \_\_\_\_\_\_\_\_

Total Income for March? \_\_\_\_\_\_\_\_\_

Total Expenditure for April? \_\_\_\_\_\_\_\_

How much did Claudine spend on Hairdressers? \_\_\_\_\_\_\_