

Household Budgeting



- A **budget** is a plan of our expected income and expected expenditure for a particular period.



- Preparing a **household budget** helps us to:
 - Make sure we have enough money available to pay bills when they are due.
 - “Live within our means”.
 - Know which months will have a lot of bills coming in.



- Preparing a household budget for the Russell Family for the four months January to April:
 - Enter the expected income for each month and show the total for the four months.
 - Enter the expected fixed expenditure for each month and show the total for the four months.
 - Enter the expected irregular expenditure for each month and show the total for the four months.
 - Enter the expected discretionary expenditure for each month and show the total for the four months.

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael					
Salary – Maureen					
Child Benefit					
Total Income					
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage					
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen					
Child Benefit					
Total Income					
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage					
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit					
Total Income					
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage					
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income					
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage					
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage					
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance					
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal					
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries					
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs					
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills					
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal					
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment					
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment	120	120	120	120	480
Holiday					
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment	120	120	120	120	480
Holiday			650		650
Subtotal					
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment	120	120	120	120	480
Holiday			650		650
Subtotal	120	120	770	120	1130
TOTAL EXPENDITURE					
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment	120	120	120	120	480
Holiday			650		650
Subtotal	120	120	770	120	1130
TOTAL EXPENDITURE	915	920	1490	860	4185
NET CASH					

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Household Budgeting

Russell Family	Jan	Feb	Mar	Apr	Total
PLANNED INCOME	€	€	€	€	€
Salary – Michael	550	550	550	550	2200
Salary – Maureen	550	550	550	550	2200
Child Benefit	100	100	100	100	400
Total Income	1200	1200	1200	1200	4800
PLANNED EXPENDITURE	€	€	€	€	€
Fixed					
House Mortgage	300	300	300	300	1200
House Insurance	20	20	20	20	80
Subtotal	320	320	320	320	1280
Irregular					
Groceries	250	250	250	250	1000
Car Running Costs	50	80	50	50	230
Household Bills	175	150	100	120	545
Subtotal	475	480	400	420	1775
Discretionary					
Entertainment	120	120	120	120	480
Holiday			650		650
Subtotal	120	120	770	120	1130
TOTAL EXPENDITURE	915	920	1490	860	4185
NET CASH	285	280	-290	340	615

- Our “**net cash**” each month is the difference between our planned income and our planned expenditure for that month.
- The amount of money we have left at the end of each month is called our “**closing cash**”.
- Closing cash is found by adding our “**opening cash**” to our “**net cash**” each month.
- The **opening cash** each month is the closing cash from the previous month.



Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income					
Total Expenditure					
Net Cash					
Opening Cash					
Closing Cash					



Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income	1200	1200	1200	1200	4800
Total Expenditure					
Net Cash					
Opening Cash					
Closing Cash					

Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income	1200	1200	1200	1200	4800
Total Expenditure	915	920	1490	860	4185
Net Cash					
Opening Cash					
Closing Cash					

Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income	1200	1200	1200	1200	4800
Total Expenditure	915	920	1490	860	4185
Net Cash	285	280	-290	340	615
Opening Cash					
Closing Cash					

Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income	1200	1200	1200	1200	4800
Total Expenditure	915	920	1490	860	4185
Net Cash	285	280	-290	340	615
Opening Cash	250	535	815	525	250
Closing Cash					

Russell family	Jan €	Feb €	Mar €	Apr €	Total €
Total Income	1200	1200	1200	1200	4800
Total Expenditure	915	920	1490	860	4185
Net Cash	285	280	-290	340	615
Opening Cash	250	535	815	525	250
Closing Cash	535	815	525	865	865