Question 1 - 2025 Q16 (b)(i)(ii)(iii) — Marks: 25

(b) A budget is an essential part of running any family household.

(i) Outline **two** reasons why family households should prepare a budget.

1.
2.

(ii) The Evans Family have prepared their household budget for January to April.
Complete the Evans Family Budget.

Evans Family Budget	January	February	March	April	Total
	€	€	€	€	€
Income (A)	5,200	5,200	5,650	5,200	
Expenditure (B)	3,800	3,450	4,100	5,420	
Net Cash (A minus B)					
Opening Cash	600				
Closing Cash					

Workings if required:

(iii) Based on their budget, can the Evans family afford to save €500 per month?
Indicate by placing a tick (✓) in the correct box. Yes ☐ No ☐
Give a reason for your answer.

Reason:

(a) Mary Fahey has recently completed her Leaving Certificate and has accepted a place studying Business at third level. She has €500 in opening cash on 1 October. She has provided the following information:

- Mary plans to spend €200 a month on groceries and food.
- Bills for electricity will amount to €30 in October, €50 in November and €55 in December.
- Mary's mobile phone contract costs €45 per month.
- Mary plans to spend €80 a month on entertainment. She will spend an additional €70 in December.

Using the information provided, complete Mary's budget.
Mary's total income and fixed expenditure has been completed for you.

Mary's Budget	October	November	December	Total
Planned Income				
Mary – wages	480	480	580	1,540
SUSI grant	340	340	340	1,020
Monthly allowance	200	200	200	600
Total Income (A)	**1,020**	**1,020**	**1,120**	**3,160**
Planned Expenditure				
Fixed Expenditure				
Rent	650	650	650	1,950
Subtotal	650	650	650	1,950
Irregular Expenditure				
Groceries and food				
Electricity				
Mobile Phone				
Subtotal				
Discretionary Expenditure				
Entertainment				
Subtotal				
Total Expenditure (B)				
Net cash (A – B)				
Opening cash				
Closing cash				

Question 3 - 2022 Q13 **Marks: 6**

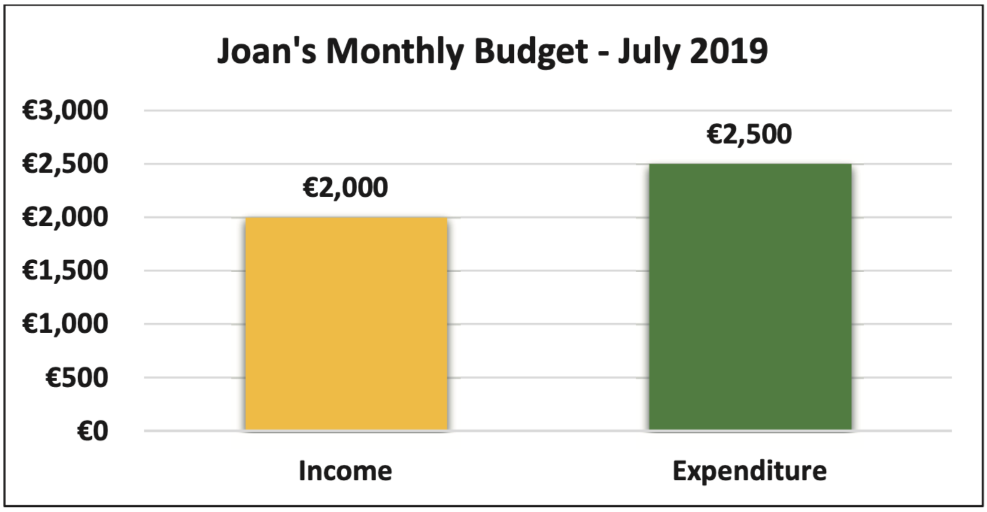
Complete the following extract from the Dolan household budget for three months.

Months	July	August	September	Total
Net cash	150	(300)	(150)	(300)
Opening cash	210	360		210
Closing cash		60		

Workings

Question 4 - 2019 Q1 **Marks: 6**

The graph below shows Joan Murphy's monthly budget:



(i) Calculate the difference between Joan's income and expenditure. State if it is a surplus/deficit.

€

(ii) What advice would you give Joan based on your answer?

(b) A budget is an essential part of running any family household. **6m**

(i) Outline **two** reasons why family households should prepare a budget.

To plan their future expenditure to ensure they live within their means.
To support an application for a loan or a bank overdraft so the family can get the finance when needed most.
To estimate their closing cash balance at the end of each month so that adjustments can be made where necessary, ensure your spending your money wisely.
To forecast their future income so they are in control of their money/stay prepared for emergencies.

(ii) The Evans Family have prepared their household budget for January to April.
Fill in the blank boxes in the table below to complete the Evans Family Budget. **16m**

Evans Family Budget	**January**	**February**	**March**	**April**	**Total**
	€	**€**	**€**	**€**	**€**
Income (A)	5,200	5,200	5,650	5,200	21,250 **1m**
Expenditure (B)	3,800	3,450	4,100	5,420	16,770 **1m**
Net Cash (A-B)	1,400 **1m**	1,750 **1m**	1,550 **1m**	(220) **1m**	4,480 **1m O.F**
Opening Cash	**600**	2,000 **1m O.F**	3,750 **1m O.F**	5,300 **1m O.F**	600 **1m**
Closing Cash	2,000 **1m O.F**	3,750 **1m O.F**	5,300 **1m O.F**	5,080 **1m O.F**	5,080 **1m O.F**

Workings if required:

(iii) Based on their budget, can the Evan's family afford to save €500 per month? **3m**
Indicate by placing a tick (✓) in the correct box.

Yes ✓ No ☐

Give a reason for your answer.

Reason: €500 over 4 months is €2,000, they can comfortably afford to save €500 per month. They have closing balance in net cash of €4,480.

Solution Question 2 - 2024 Q18 (a)

(a) Mary Fahey has recently completed her Leaving Certificate and has accepted a place studying Business at third level. She has €500 in opening cash on 1 October. She has provided the following information:

- Mary plans to spend €200 a month on groceries and food.
- Bills for electricity will amount to €30 in October, €50 in November and €55 in December.
- Mary's mobile phone contract costs €45 per month.
- Mary plans to spend €80 a month on entertainment. She will spend an additional €70 in December.

Using the information provided, complete Mary's budget.
Mary's total income and fixed expenditure has been completed for you. **(32 m)**

Mary's Budget	October	November	December	Total
Planned Income				
Mary – wages	480	480	580	1,540
SUSI grant	340	340	340	1,020
Monthly allowance	200	200	200	600
Total Income (A)	**1,020**	**1,020**	**1,120**	**3,160**
Planned Expenditure				
Fixed Expenditure				
Rent	650	650	650	1,950
Subtotal	650	650	650	1,950
Irregular Expenditure				
Groceries and food	200 **1m**	200 **1m**	200 **1m**	600 **1m**
Electricity	30 **1m**	50 **1m**	55 **1m**	135 **1m**
Mobile Phone	45 **1m**	45 **1m**	45 **1m**	135 **1m**
Subtotal	275	295	300	870
Discretionary Expenditure				
Entertainment	80 **1m**	80 **1m**	150 **1m**	310 **1m**
Subtotal	80	80	150	310
Total Expenditure (B)	1,005 **1m OF**	1,025 **1m OF**	1,100 **1m OF**	3,130 **1m OF**
Net cash (A – B)	15 **1m O.F**	(5) **1m O.F**	20 **1m O.F**	30 **1m O.F**
Opening cash	500 **1m**	515 **1m O.F**	510 **1m O.F**	500 **1m**
Closing cash	515 **1m O.F**	510 **1m O.F**	530 **1m O.F**	530 **1m O.F**

Solution Question 3 - 2022 Q13

Complete the following extract from the Dolan household budget for three months.

Months	July	August	September	Total
Net cash	150	(300)	(150)	(300)
Opening cash	210	360	**60 (1m)**	210
Closing cash	**360 (3m)**	60	**(90) (1m)**	**(90) (1m)**
Workings				

Solution Question 4 - 2019 Q1

(i) €500 deficit

(ii)

- Decrease expenditure: Joan could cut her discretionary expenditure e.g. holidays
- Increase income: Joan could do some overtime to manage her income better
- Shop around for the best deal e.g. switch.ie.