Worksheet 2: Budgeting

A budget is a plan that tracks what money is coming in and going out. Keeping track of your money is one of the best ways to feel more in control of your finances. When you know how much is coming in and where it's going each week, you can make better choices, spot problems early, and plan ahead with confidence.

Step 1: Identifying Needs and Wants

A "need" is something you cannot survive without. A "want" is something you might like to have but is not essential to stay alive. Basic needs include such as accommodation, food, electricity and heating. Our needs change over time and through our life stages.

When managing your money, it is important to make paying for your basic needs a priority. As well as basic needs, there are other costs considered necessary for everyday life. For most people a mobile phone with a data plan is now essential however you can choose to buy an expensive or less expensive phone.

Identifying when your spending is a "need" or "want" is an important step in making choices to match income with spending and "live within your means"

Step 2: Tracking Spending

Tracking spending means that you know exactly where your money is going.

Depending on how you pay for things, it is helpful to write down, check your bank statement or use an app to really understand when and where your money is going. The habit of keeping track helps you to be much more aware of your spending, identify whether it is for a need or a want and helps you to make choices that fit with your values. Try it for three to four weeks to see your spending patterns.

Tracking your Spending

Date	Item	Cost	Reason for Spending	Need or Want (N/W)

Knowing where your money is going puts you in control and helps you achieve your goals. People who complete this exercise, report being surprised or even shocked when they see how money is spent. **Ask yourself some questions:**

Activity: Review your spending

- Is there a pattern to my spending?
- Is there a day of the week or an event that means I spend more?
- Did I spend to feel better?
- Did I spend on impulse or was it planned?
- Did I spend more when I was with certain people?
- Did I spend because I felt under pressure?
- Did I buy something today that I did not need?
- Was there a cheaper alternative?
- Could I have chosen a free activity rather than one that cost money
- Is there something, I never really thought about, that I buy every day/week that adds up to a large amount over the month/year?

- Consider having a "no spend" day to help change your habits and make your spending more "conscious".
- If you did not have any, or very little money left to put towards savings, try putting aside some money as soon as you get paid and before you start spending for the week.
- If you decide to change your spending, set yourself a goal for what you will do with the money instead – spend on something you need, save for an emergency or save for/invest in something you need or want in the future.

Step 3: Making a plan

A budget is a plan for your money. It shows what money you have coming in and where it goes. If you haven't done a budget before, start with a basic one. It doesn't have to be perfect to give you a good understanding of your money situation.

You can print out the budget plan on the next page, you can create your own version on a spreadsheet or even in a notebook. MABS have a more advanced, digital version available on their website **www.mabs.ie/en/money-tools/my-budget/**

Weekly Money Plan

Step A - Income

Income	€€€
Job	
Social Welfare	
Family	
Education Grants	
Other	
Other	
Other	
Total Income A	

Step B - Needs

Need	€€€
Accommodation	
Electricity	
Gas	
Heating	
Food	
Loan Repayments	
Other	
Total Needs B	

Step C - Bills & Commitments

Bills	€€€
Mobile	
Broadband	
Subcriptions (Netlix etc)	
TV Licence	
Other	
Other	
Other	
Total Bills C	

Step D - Everyday Essentials

Essentials	€€€
Household	
Personal Care	
Transport	
Medical	
Education	
Clothes	
Other	
Total Essentials D	

Weekly Money Plan

Step E - Savings

Savings	€€€
Emergency Fund	
Short-term goal	
Long-term goal	
Other	
Other	
Other	
Other	
Total Savings E	

Step F - Social & Personal

Personal	€€€
Christmas/Eid/Birthday	
Socialising,cinema, sport	
Magazines/Newspapers	
Sweets, treats	
Cigarettes/Alcohol	
Lottery/Bingo	
Other - Pets/Hobbies etc	
Total Personal F	

Step G - Last one! Put it all together

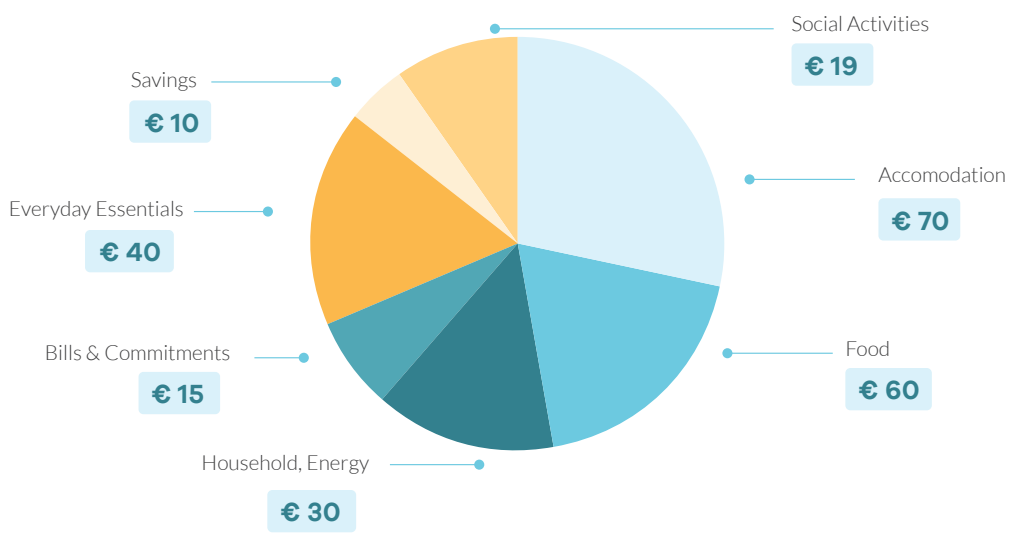
Total	€€€
Total Income (A)	
Total Needs (B)	
Total Other Bills (C)	
Total Essentials (D)	
Total Savings (E)	
Total Social & Personal (F)	
Add up totals of B to F to get overall spending	
Income less Spending	

A challenge and a source of stress for newly arrived migrants or those who have lived in Direct Provision accommodation is knowing what it costs to live independently in Ireland.

This is a sample breakdown of what a single person receiving Jobseekers Allowance of €244 might spend their money on during a week. This might help you think about what costs might be similar for you and what might be different.

Budget spending Category	Per Week €
Accomodation	70
Food	60
Household, Energy	30
Bills & Commitments	15
Everyday Essentials	40
Savings	10
Social Activities	19
Total Budget Spending	**244**

Weekly Spending Budget for Single Jobseker



Activity:

Think about these questions as you read:

- How much of your income will go to your basic needs?
  (Food, rent, utilities)
- What other essential costs do you have?
  (Childcare, healthcare, school costs)
- Before you choose extras like mobile phones, broadband, or subscriptions:
  Ask yourself: Can I afford the extra bills and commitments?
- Plan for everyday essentials and regular costs:
  (Transport, personal care, household items)
- Make saving a priority by building an emergency fund and if possible put money aside for short and longer term goals?
- Small amounts matter - if you have some money available to spend on "wants", make conscious choices to allocate every Euro to best use for your well-being.
- If you make a weekly budget:
  Remember to include costs that don't happen every week - like monthly bills, yearly charges, or one-off expenses.

Top Tips:

- Time your bills to pay them as soon as you receive your weekly or monthly income. This means that you will not be tempted to spend the money on other items.
- Some people find it helpful to use the "envelope" method to budget for these costs, putting a regular amount of cash each week in an envelope to pay the bill when due.
- There is a risk in keeping cash so be careful not to hold large amounts. Bank accounts can facilitate this by putting money aside in vaults, pockets or sub-accounts.