MAKING DECISIONS ABOUT MONEY

INCLUSION IRELAND

Promoting the rights of people
with an intellectual disability

CONTENTS

WHAT IS MONEY?

Money is something we use when we need to pay for things like goods or services.

Goods are things that you own and include food, clothes, DVDs or televisions.

Services are when other people do something for you like drive the bus, bin collection or a cleaner.

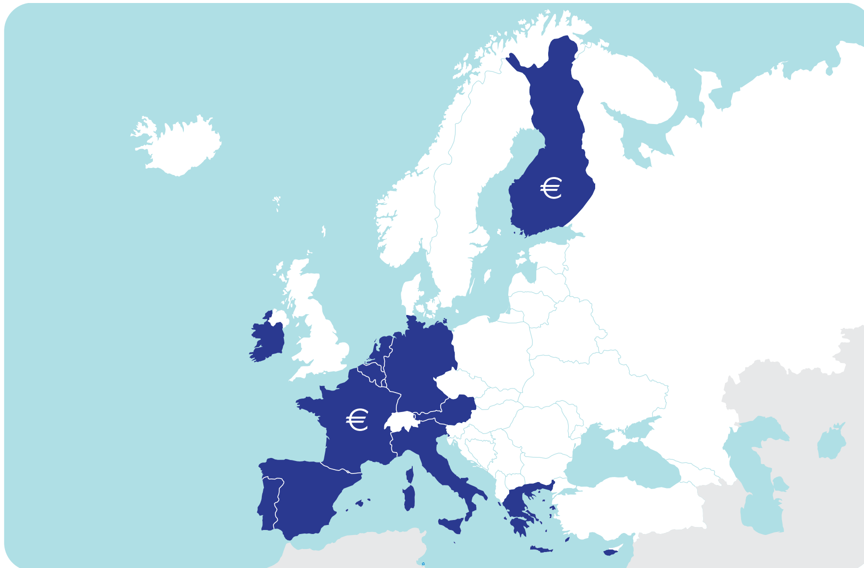
Money is a currency. Different countries have different currencies. In Ireland we use *the EURO*.

WHAT COUNTRIES USE THE EURO?

The EURO is used by 15 countries: *Austria, Belgium, Cyprus, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovenia* and *Spain*.

That means that if you go to any of these countries you can use **the same money** you use in Ireland.

If you go to other countries you would have to use **different** currencies. *For example* in Britain they use the Pound and in America the use the Dollar.



WHERE DO PEOPLE GET MONEY FROM?

People get money from different places;

> Some people work. These people get paid a **wage.**

> Some people are not working at the moment. These people get a **Social Welfare payment.**

> People who can't work because of a disability get a **Disability Allowance.**

> Some people are in training and get a **Training Allowance.**

> Some people are on an employment scheme and get **an allowance** until they find a job.

HOW MUCH SHOULD YOU GET?

If you are working you should receive a **minimum** of €8.65 per hour.

If you are getting Disability Allowance this is usually €197.80.

If you are on Disability Allowance or other state payments you might get other payments like:

- Free Travel Pass
- Money towards bills such as ESB or phone
- Fuel allowance towards home heating
- Medical Card

BUDGETING

Budgeting means making your money last. Sometimes you have to make difficult choices.

CHOICES

What choice would you make in these situations?

1. You are saving to go on a holiday to Spain and are saving €20 every week. On Friday night your friend calls to ask you if you want to go to the pictures.

   Would you save that week or go out with your friends?

2. You had planned to go to the pub with your friends on Saturday night, and on Friday you realise you've have no phone credit left.

   Which one do you spend your money on?

3. You have to get your friend a birthday present. A week before their birthday, you spot a pair of jeans that you would to buy.

   Which one would you buy?

BANKS

WHAT IS A BANK ACCOUNT?

A bank account is a safe place to keep your money. The bank keeps your money for you and gives you an account number so that you can check on your money.

If you have a bank account it means that **your money is kept safely for you by the bank.** A bank account also shows you how much money you are spending.

If you have a job, your employer may need you to have a bank account so that they can pay you.

HOW DO I GET A BANK ACCOUNT?

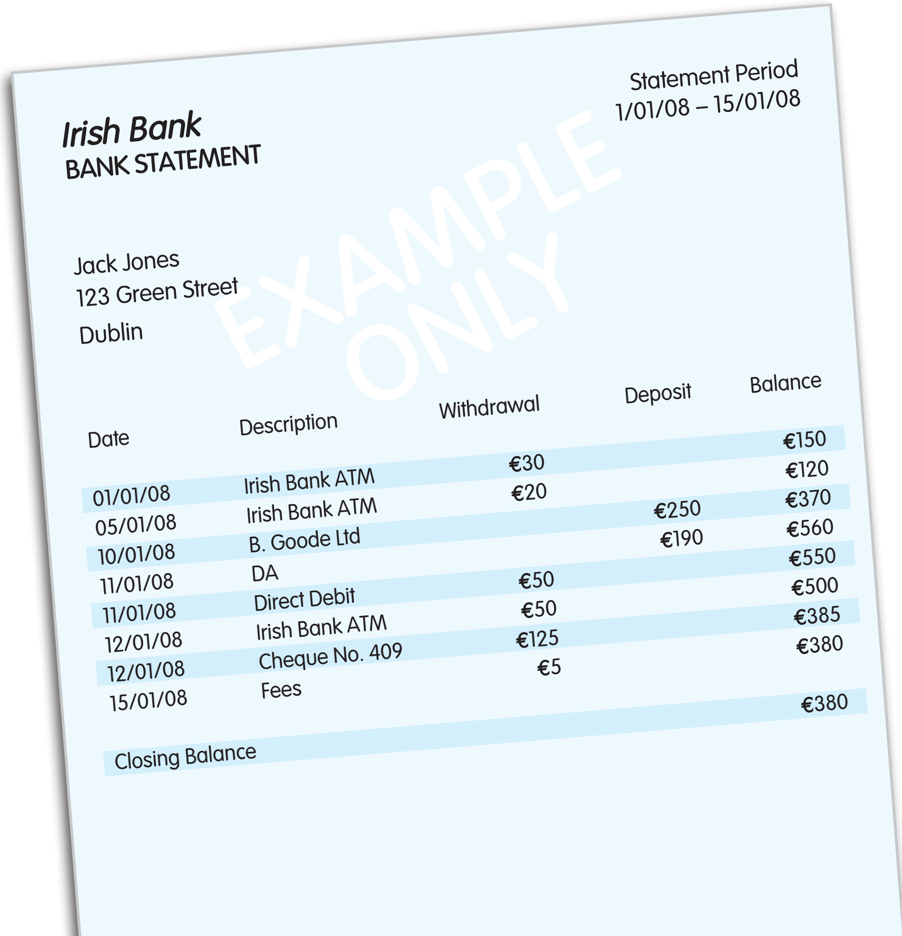
You will need to choose which bank you would like to join. You will need to fill in an application form. You will need to show proof of your identity – for example a passport, and proof of your address such as a bill. If you have trouble filling in the form you can get someone else to fill it in for you.

You can also open an account with someone else and this is called a joint account.

BANK STATEMENTS

Every few months you will get a ***bank statement***. **This statement will tell you how much money went into your account and how much you took out.**

The statement helps you see how much you are spending.



Irish Bank
BANK STATEMENT

Statement Period
1/01/08 – 15/01/08

EXAMPLE ONLY

Jack Jones
123 Green Street
Dublin

Date	Description	Withdrawal	Deposit	Balance
01/01/08	Irish Bank ATM	€30		€150
05/01/08	Irish Bank ATM	€20		€120
10/01/08	B. Goode Ltd		€250	€370
11/01/08	DA		€190	€560
11/01/08	Direct Debit	€50		€550
12/01/08	Irish Bank ATM	€50		€500
12/01/08	Cheque No. 409	€125		€385
15/01/08	Fees	€5		€380
Closing Balance				€380

SAVINGS

There are times that you want to save money to do something.

It could be;
> A holiday
> Christmas
> A new outfit

Can you think of any other things you would need to save for?

You can set up a special account separate from your everyday account to save in.

LOANS

If you need money for a particular purpose then you could get a loan.

People get loans for expensive things like buying a house or car. People can also get loans for less expensive things like holidays.

When you take out a loan, you agree to pay it back. You agree how much to pay every week and how long you will take to pay it.

Like credit cards, you will have to pay "interest" on the loan and that means that you will pay more back than you got.

The interest rate is usually lower than a credit card and that means the extra money you give the bank is less.

It is important that you know how much you have to pay back each week and that you can manage to pay it back.

INTEREST

Interest has more than one meaning. It is also the word for the charge a bank makes when you take out a loan, or how much they pay you if you save.

The amount of interest is usually a percentage (%). Percentage means out of 100.

So if the interest is 1% then you either pay €1 for every €100 you borrow or get €1 for every €100 you save.

Different banks pay different interest rates. This means that if you leave your money in the account for a while they pay you extra.

If a bank pays 5% APR (Annual Percentage Rate), and you save €1000 – they will pay you an extra €50 a year.

Banks have different terms and conditions and it is important that you ask someone to explain what they all mean before you open any kind of account.

CREDIT UNIONS

A Credit Union is a group of people who save together and lend money to each other at a fair rate of interest. A Credit Union is different to a bank in that it is not looking to make money. All the money for loans is taken out of other people's savings.

A Credit Union offers services such as savings, loans, insurance and buying foreign money like Dollars or Pounds Sterling.

If you want to open a credit union you can visit your local office and fill in an application form.

POST OFFICE

As well as sending letters you can do other things at the post office. **You can pay your bills, buy a television licence, buy insurance and save.**

Opening a savings account in the post office is like opening a savings account in the bank. You will need to get a form and you can get this from your local post office.

BUILDING SOCIETY

A Building Society is like a Credit Union. A Building Society is owned by its members and that means that if you get a loan it comes out of other people's savings. Interest rates on loans can be lower than a bank because the Building Society is not trying to make a lot of money.

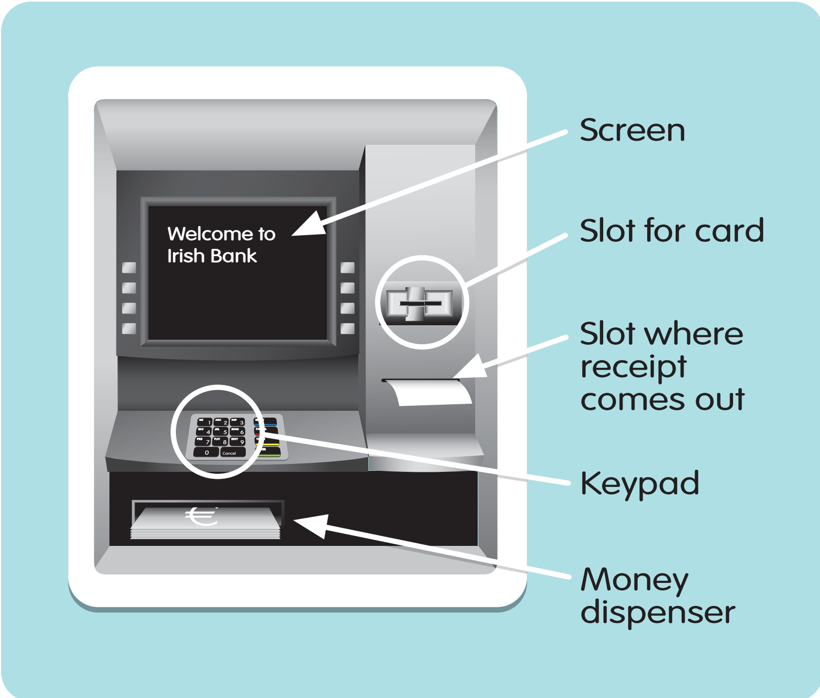
Examples of Building Societies are EBS and Irish Nationwide.

USING AN ATM

An **ATM** (Automated Teller Machine) is a handy way of getting access to your money from the bank.

To use the ATM your account needs to have a card. Your card will have a PIN (Personal Identification Number). The PIN is a 4 digit number.

You should choose a PIN you'll remember and **keep it safe.** If you tell someone else your PIN, then they could access your account and your money. Writing down your PIN could mean that someone else will see it.

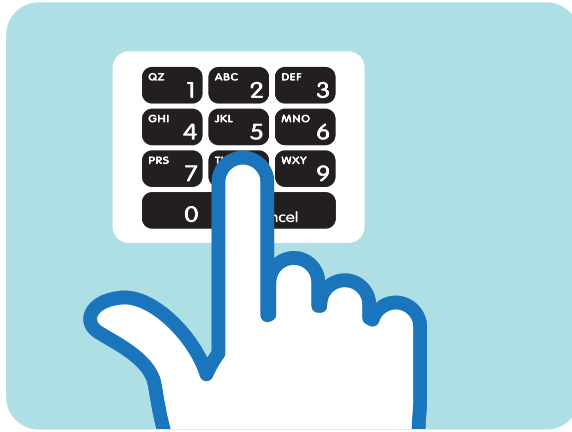


When you are queuing for an ATM it is important that you give the person in front enough time and space to carry out their transaction with privacy.

To use the ATM you should put the card in the slot. The screen will then tell you when it is time to enter your PIN.

You enter your PIN on the keypad.

You should cover the keypad with your other hand if you can, so that nobody can see what your PIN is.



The screen of the ATM will then give you options to choose from. **If you take money out, it will come out of the money dispenser.**

You should then get a receipt for your transaction from the receipt slot.

CREDIT CARDS

A **credit card** is a small plastic card that lets you buy things on "credit". **This means that you buy something now and the bank pays for it and you pay for it at a later date.**

Credit cards are great for buying things over the internet, booking flights or for using when you don't want to carry a lot of money. Your bank will set **a limit** of how much you can spend on your card.

Credit cards have what's called "interest". This means that **the bank charges you a fee** at the end of every month if you still owe money. This fee is usually a percentage of what you owe.

If you leave your credit card for too long without paying the amount you owe can grow a lot.

Your card may have other expenses on it such as charges for taking out cash and charges for being late with your payment.

It is very important that if you use a credit card, you have enough money to pay it back.

TRUE OR FALSE

If I buy things on a credit card I can take as long as I want to pay it back?

True ☐ False ☐

If I take out a loan, I end up paying more than I borrowed?

True ☐ False ☐

I should write down my PIN so that I don't forget it?

True ☐ False ☐

It's a good idea to save money for big occasions?

True ☐ False ☐

If I need to make a big purchase it is better to get a loan than use a credit card?

True ☐ False ☐

CHECKLIST

Now you have read this booklet you should be able to do the following things:

- Say what currency we use in Ireland ☐
- Say where you get your money from ☐
- Make choices about your own money ☐
- Open up a bank account (with help if you need it) ☐
- Open up a savings account (with help if you need it) ☐
- Say what a loan is ☐
- Use an ATM ☐
- Say what a credit card is ☐

WORD FIND

Can you find the words hidden in the word find?

MONEY	CASH	CHIP
ATM	CREDIT	LOAN
CHEQUE	BANK	ACCOUNT

Z	G	H	J	K	L	D	A
T	A	S	F	J	H	F	D
E	R	T	Y	U	I	L	A
F	L	J	H	F	D	O	S
A	S	F	G	H	J	A	N
G	A	C	C	O	U	N	T
G	D	T	G	S	C	B	N
K	L	K	L	K	H	R	R
D	E	T	D	J	H	W	E
B	M	O	N	E	Y	Y	U
A	O	S	D	F	G	H	C
D	N	A	D	F	G	H	F
C	I	A	A	S	A	S	D
V	B	N	T	C	X	S	A
W	Q	W	M	W	E	R	T
D	F	G	H	J	H	G	C
S	C	R	E	D	I	T	H
A	H	S	D	Q	H	C	E
A	I	S	D	F	G	H	Q
S	P	D	D	D	F	F	U
D	C	A	S	H	F	G	E
F	S	A	B	A	N	K	F
F	D	S	A	S	D	F	G

USEFUL LINKS

It's Your Money
www.itsyourmoney.ie

Money Advice & Budgeting Services
www.mabs.ie

Disability Allowance
www.welfare.ie/schemes/ill/da.html

Inclusion Ireland
www.inclusionireland.ie

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