

A woman in a green jacket and backpack is climbing a rocky mountain slope. She is using trekking poles and wearing a headband. In the background, there are snow-capped mountain peaks under a clear sky.

Get Money Smart

Steps to Better Financial Health

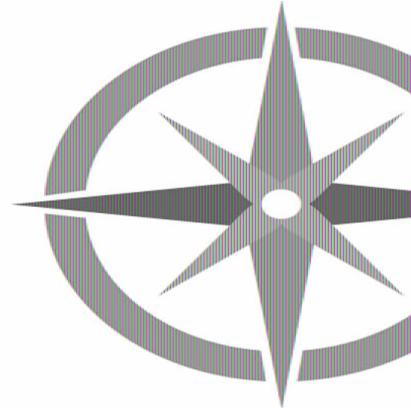


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Introduction

- MoneySherpa is Ireland's No 1 online money guide
- 1 in 10 struggle with money
- 33%+ of adults have no savings
- 50%+ have no retirement savings



Money Worries

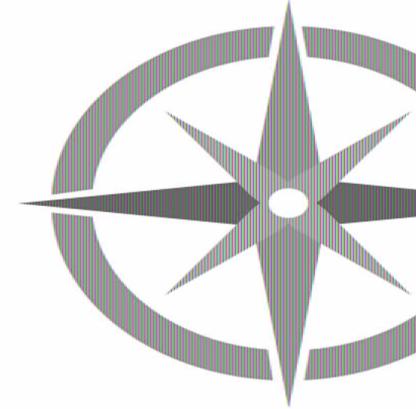
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Single Biggest Anxiety



Money Smart Session Content

1. Get Money Fit
2. Pay Down Debt
3. Save for a Rainy Day
4. Questions



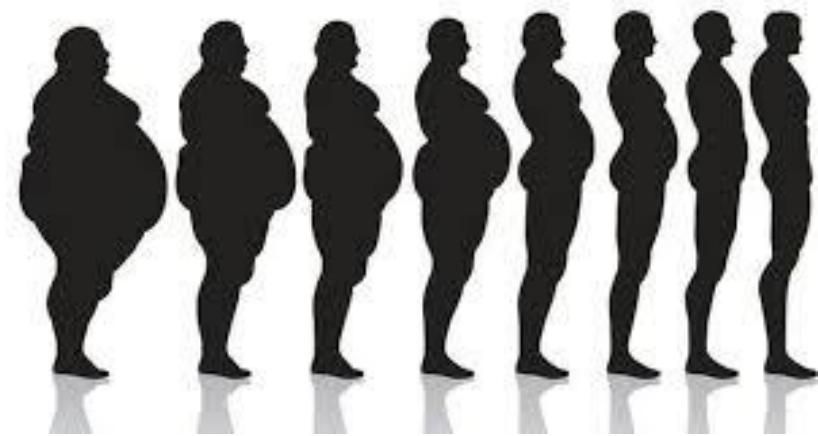
The Money Smart Steps

1. Get Money Fit



Getting Money Fit - Only 2 Ways

- Get more money in
 - Earn more Income
 - Pay less taxes
 - Claim more allowances
- Let less money out
 - Buy less
 - Buy for less



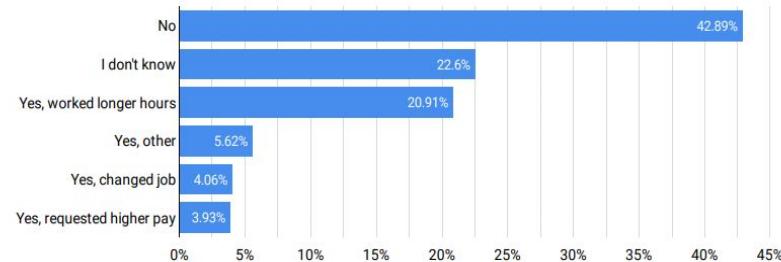
1a. Get more money in



Getting Money Fit - Get more in

- Earn more Income
 - Ask for a pay rise (4%)
 - Change your job (4%)
 - Worked longer hours/side hustle (21%)
 - Other (Rent a Room etc..) 5.62%
- Pay less taxes (average refund is €1,028+)
 - Tax Credits eg:- Home Carer Allowance
 - Tax Allowances/Reliefs eg:- Medical Expenses
 - Tax Shelters eg:- Start A Pension
- Claim more allowances
 - Social Insurance Payments (requires PRSI payments)
 - Means Tested Payments (dependent on income/savings)
 - Universal Payments (doesn't require above)

Have you attempted to increase your income in any way over the last 6 months?





Getting Money Fit - Pay Less Tax

- Tax Credits: The Credit = Reduced Tax You Pay
 - Marriage Credit - €3,400
 - Home Carer Allowance - €1,700 for Stay @ Home
 - Rent Credit - €500 per claimant '22 & '23

- Tax Allowances: Tax % Paid = Reduced Tax Paid
 - Medical Expenses - 20% of claim
 - Work Expenses - 20/40% of claim
 - Flat Rate: Hospital Staff, Bar Staff, Brick Layers, Vets, Teachers, Airline Crew, Journalists...
 - Rent a Room Scheme - 100% Tax upto €14,000





Getting Money Fit - Claim More Allowances

- Universal Payments
 - Energy Credits €600 per household
- Social Insurance Payments (needs Stamp/PRSI payments)
- Means Tested Payments (dependent on income/savings)
 - Working Family Payment (FIS) 60%*(€33,904-income) (2 kids)
 - Carers allowance €11,648 + kids (50% with other benefits)
 - Fuel allowance up to €1,324



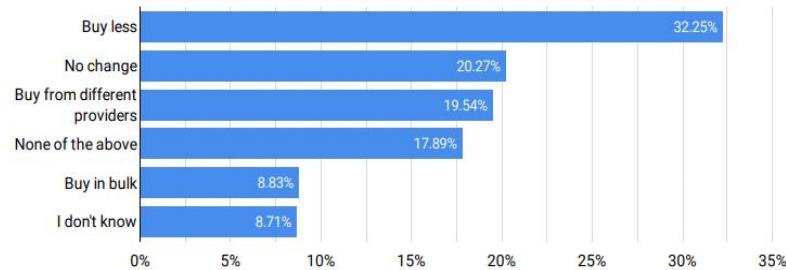
1b. Let less money out



Getting Money Fit - Let less money out

- Buy less = €6,643 per year (33%)
 - Ditch the credit cards = €1,270 per year
 - Ditch takeaways coffee & meals = €1,521 per year
 - Ditch the fags & booze = €3,232 per year
 - Ditch high energy use = €620
- Buy for less = €4,634 per year (28%)
 - Switch your mortgage = €2,650 per year
 - Switch your broadband & TV = €300 per year
 - Switch your shop = €1,664 per year

How have spending patterns changed in the last 6 months?





Getting Money Fit - Buy Less = €6,023 pa

- Ditch the credit cards = €1,270 per year
 - 12-18% more likely to spend credit than cash
 - Don't tap/one click/put cards on your phone
 - Cut up your credit cards
- Halve takeaways meals & coffees = €1,521 per year
 - Average family spends €1,000 a year on takeaways
 - Plus €7.50 (€1,875) a day on coffee & sandwiches
- Ditch the fags & halve the booze = €3,232 per year
 - Average smoker spends €2,200 a year on cigarettes
 - Average drinker spends €2,000 a year





Getting Money Fit - Buy Less = €620 pa

- Turn down Thermostat: 1 degree = €260 per year
 - Target = 18-21 degrees
 - 'Heat the Human' not the home
- Turn down Boiler: 50 degree = €130 per year
 - Most boilers = 60-70 Degrees
 - Skin Max = 44 Degrees
- Turn to a Micro or Airfryer = €230 per year
 - Electric Oven = €1 a day
 - Air Fryer/Micro = 16c/9c a day





Getting Money Fit - Buy For Less €4,634 pa

- Switch your mortgage = €2,650 per year
 - Over 200,000 people can save €2,650 a year
 - That's €32,000 over the average mortgage term
- Switch your broadband & TV = €300 per year
 - Sky Sports via satellite = €59 a month
 - Sky Sports via Now TV = €25 a month
- Switch your shop = €1,664 per year
 - €5,000 a year on groceries
 - Lidl & Aldi 33% cheaper



What's Your Savings?



Calculator



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2. Pay Down Debt



Pay Down Debt - €2700 pa

- Irish households owe €8,000 in loans & credit card debt on average
- @ an interest rate of 10.3%, the 4th highest in Europe
- Year 1 Interest = €824

But,

- Year 2 = $\text{€909} + \text{€824} = \text{€1,733}$
- Year 3 = $\text{€1,003} + \text{€909} + \text{€824} = \text{€2,733}$



3. Save for a Rainy Day



Saving for a Rainy Day (+Sunny Day)

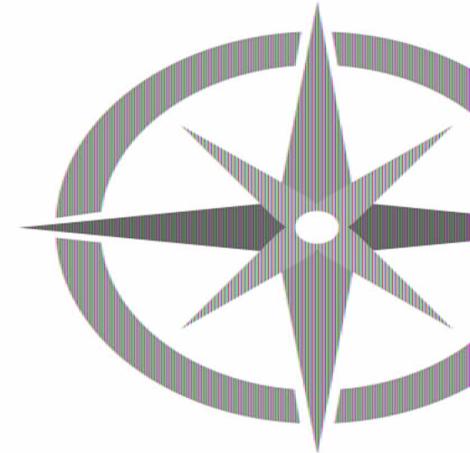
- Rainy Day
 - After your Debt is cleared save 2 months of outgoings
 - This is your emergency fund & will stop you going backwards
- Sunny Day (pension)
 - Average income €38,496
 - Tax free savings allowance of €7,700 per year
 - €7,700 -> €9,624
 - Over 20 Years = €192,480
- @ an interest rate of 4% = €300,000+





Summary

1. **Get Money Fit** = €12,000 a year more
 - a. Get More Money In (€1,000-€2,000 a year)
 - b. Let Less Money Out (€11,000 a year)
2. **Pay Down Debt** = €2,700 a year more
3. **Save** = c €7,000 a year more
 - a. Save an Emergency Fund (€6,400)
 - b. Start a Pension Fund (€7,700)



5. Any Questions?

- Resources
 - a. Citizens Information.ie
 - b. Revenue.ie
 - c. Mabs.ie
 - d. Moneysherpa.ie