



Newark &
Sherwood CVS



Rushcliffe Community
& Voluntary Service



BUDGETING



WHAT IS A BUDGET?

- A budget can tell you how much money your charity currently has, how much it plans to raise and how much it plans to spend.
- A budget is an estimate of income and expenditure for a set period of time. This could be for the duration of a project, or annually.
- A budget will allow you to keep control and enable you to make financial decisions.
- A budget can prevent you from running out of money by mistake.
- A budget allows you to identify any financial problems early and resolve these in good time.
- A budget may change over the year or course of a project.
- A budget is required if you are applying for a grant, as funders will ask what the grant is for and what other sources of income you have.

WHAT DO I NEED TO BUDGET FOR?

A budget can detail all the things you may need to pay for.

These can include:

- Venue hire
- Refreshments
- Publicity
- Stationery
- Equipment (hire or purchase)
- Website costs
- Transport
- Insurance
- Safeguarding training
- First aid kit
- Sessional worker fees
- Salaries including National Insurance (NI) and pension contributions.
- Cost of office space, internet and phone provision.
- Staff training and development



HOW TO BUDGET

Budgeting is a core skill that can provide huge value. From deciding on project costs to managing the organisation, budgeting helps charities to plan for the future. When writing a budget you should include all of your income and expenditure. Every penny should be budgeted including funds from cash contributions, grants, legacies and fees.



Write a list

Think about all the things you will need to pay for and make a list of these. This could include:

- Events
- Activities
- Venues
- Refreshments
- Publicity resources

Estimate the cost

Try and estimate the cost of each item as accurately as you can. To support you to do this, you could:

- Refer to previous costs (taking into consideration inflation).
- Call for quotes.
- Research costings by looking at websites.
- Talk to similar groups about their costings.

Keep notes

Note down how you came to your figures. This information may be helpful in the future or when you need to know how you got your figures.

WRITING A DRAFT BUDGET



- List each item of income, detailing the income you expect to receive from things such as funding.
- Add all of the income totals.
- List each item of expenditure, detailing the money you expect to spend.
- Total the amount of expenditure (all the items added together) Net income / expenditure (subtract the total expenditure figure from the total income figure)
- List the amount of funds you have at the beginning of the year (Reserves)
- List the amount of funds you will have at the end of the year (Reserves)

BUDGET HEADINGS

Staff costs

- Salaries
- Recruitment
- Training
- DBS Checks
- NI
- Pensions

Premises costs

- Rent
- Council Tax (if relevant)
- Heat & Light
- Buildings insurance
- Parking
- Repairs and maintenance
- Cleaning, refuse collection
- Water rates

Administration/Governance costs

- Trustee Meeting expenses – venue/travel costs
- AGM expenses – venue, annual report
- Independent Examination/Audit

Charitable activities

- Staff Costs
- Travel & subsistence
- Membership subscriptions
- Volunteer travel & subsistence
- Training – staff & volunteer

Publicity

- Staff costs
- Websites
- Publicity Materials- Leaflets, banners etc
- Events
- Travel and subsistence

Fundraising

- Staff costs
- Websites
- Publicity Materials- Leaflets, banners etc
- Events
- Travel and subsistence



Office Costs

- Bank charges & interest paid
- Photocopying
- Postage
- Printing & stationery
- Telephone & internet
- IT software, support & consumables
- Insurance – public liability, employer's liability, Trustees' Indemnity
- Meeting expenses/refreshments
- Professional fees/consultancy
- Depreciation of equipment
- Books, journals, subscriptions
- Payroll fees
- Volunteer travel and subsistence