



FUNDING FACTSHEET 9

FUNDING BUDGETS EXPLAINED

This factsheet is part of a series of ten. The other factsheets are **1: General Procedures; 2: Sources of Funding; 3: making Applications; 4: Writing an Application Letter; 5: Applications to Trusts; 6: Sustainability; 7: Do's and Don'ts; 8: Crisis Funding; 10: Budget Planning.**

What is a Budget?

A budget is a prediction on paper, as accurate as you can make it, of what you are likely to earn/raise and spend in the coming year. Sometimes, for planning or funding purposes, you might need to be able to do this for the next three to five years. Some "attributes" of a budget include:

- Financial information needed for grant applications;
- The money part of a project plan;
- A financial statement indicating a groups viability;
- A forecast which helps identify weak areas and allows you to make plans to overcome these;
- A management tool which allows you to control the group's income and expenditure.

Of course this does not materialise overnight - the time it takes depends on the size of your organisation and what your future plans are.

It should be prepared before you start to research possible funding sources for your project.

A budget for a funding application explains **how much it will cost** to run your event or project. When you are planning a project you should try and write down everything that you might need to buy or pay for and find out how much it will cost. This might include:

- Room, hall or pitch hire/rent
- Lighting, heating, insurance
- Phone calls, postage,

photocopying

- Training including Trainers/ Tutors/ Speakers/ Crèche
- Volunteer Expenses
- Transport Costs
- Equipment
- Wages/Salaries and "on costs"

Your finished budget should be accurate, realistic and should reflect the work that you want to do.

If you are successful the money will be part of your income. It will need to be included in your organisations' accounts as restricted income.

Any money given must be spent on what it was given to you for.

FURTHER HELP

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