

BUDGETS

Budgets are key to a successful project. Knowing what funds, you have allows you to plan the best way to use them for the highest impact.

A budget can also be used to set goals for different areas, e.g. fundraisers, event organisers' and to monitor how well things are going.

You need to be able to monitor your expenditure against your income and create a cash flow to show that money coming in and money going out match up.

Whilst you probably care very little for budgets and would prefer to just fight for your cause, you won't be able to sustain your project without a budget, and you stand a better chance of survival if you know when and where you can spend the funds you generate.

Example: You don't have a budget. You run a really successful fundraising event so have lots of money and decide to spend all of it the next day buying a new labelling system for your fundraising stall, but the following month there is no fundraising event and a bill for insurance or advertising comes in. A budget would have let you know whether or not it was a good idea to buy the labelling system or wait and how much money you needed to save for the bills.

In addition to this, if you want to open a bank account, apply for a grant, you will be asked for some kind of financial forecast.

Budgets

Useful Links

**SPARK SOMERSET
UNITS 3 & 4**

THE COURTYARD

BOWDENS FARM

HAMBRIDGE

TA10 0BP

01458 550973

WWW.SPARKSOMERSET.ORG.UK

Support@sparksomerset.org.uk

If you are a trustee, you have responsibility for the organisation's administration and making sure it achieves its goals.

You have a duty of care to make sure that the group is run well and efficient but also that any funding is looked after and used appropriately. Having a clear budget helps you to do that.

Useful Links

The Resource Centre have written a handy guide to budgets for community groups

<https://www.resourcecentre.org.uk/information/budgets-for-community-groups/>

[Project Budget](#)

[Cashflow Statement](#)

[Monthly Account Template](#)

[Annual Accounts Template](#)

[Developing your Budget](#)