

My First.....

BUDGET PREPARATION

'A budget is a way of thinking ahead financially. Accounting looks backward at what income you have received and the amount you have actually spent. Budgeting looks forward and predicts the expenses you expect to incur and the income you hope to bring in. It is intended to minimise the risk of being faced with unexpected financial burdens and allows the club to plan in advance for finance required throughout the year.'

Laying Out The Budget

In designing the budget framework you need to ask:

1. What are the items you will spend money on? (Expenditure)
 - a. Equipment, rent, stationary, membership, affiliations, team expenses, admin costs etc

2. How do you bring money into your club? (Income)
 - a. Membership, grants, sponsorship, lotto draws etc

You will have to estimate what the figures are in each category. If you are an existing club you may look at the figures for the previous year to assist you estimating these figures.

Sample Budget Sheet

	Last Year (if applic)	This Year (if applic)	Next Year (Budget)
Expenditure			
Equipment			
Membership			
Affiliations			
Buses			
Income			
Sponsorship			
Lotto			

Budget Balancing

You can then move to stage 3, which is to subtract expenditure from income to determine if you will have projected surplus or deficit. This will give you a preliminary summary.

You can decide to run a deficit, or a surplus, as long as you have a long term plan in place, there is nothing that says you have to balance the accounts every year. It is important to remember that things may get harder in the following year so a surplus may benefit your club in long term.

If you come out with a deficit firstly check all your figures again and then see is there any scope for increased income or cut costs? You will also be more aware now of how much you need to raise as a club and what type of fundraiser etc. you will need to raise this money.

Budget Monitoring

It is important that you monitor your budget throughout the year and measure against your actual expenditure. This will ensure that you keep your spending as expected and also will highlight if further income will be required before the end of the year.

Sample Budget

Year _____

Income	Last Year Actual	This Year Proposed	Expenses	Last Year Actual	This Year Proposed
Membership Fees			Equipment		
Donations			Buses		
Grants			Telephone		
Fundraising			Newsletter		
Sponsorships			Registrations		
Gate receipts			Jerseys		
			Referees		
TOTAL			TOTAL		
				SURPLUS (DEFICIT)	