

Community Grants - Tip Sheet #2

Budgeting

A budget lists all the income and expenditure associated with a project. Having a clear and accurate budget will assist the grant reviewer to understand the resources required to complete your project.

For any project (including equipment purchases) income must equal expenditure. If the two do not balance, you may need to reconsider your costings and project funding.

Matching the cash amount you need to run your project or to buy your equipment with the source of the required cash is fairly simple. The challenge many applicants have is how to document 'in-kind' contributions to their project.

Remember, the City's funding will not exceed 50% of the total project budget. This requirement may be waived where the majority of funds requested is for the purpose of engaging a professional facilitator to deliver an event or project.

What is an 'in-kind' contribution?

'In-kind' goods and services are goods and services that are donated or given to your group for free which you would otherwise have to pay for - and therefore should be reflected in your budget. 'In-kind' contributions cover those items or assistance which are required to make your project a success, and also allows groups with limited cash funds to show a 50% value co-contribution to the project. As a guide, volunteer hours can be calculated at \$42.43 per hour.

What your organisation needs to successfully run the project should be listed in the in-kind expenses column, and how you are obtaining them should go in the in-kind contributions column.

Examples of in-kind contributions:

- Goods - office equipment, books, stationery, appliances, food
- Resources - bus hire, venue hire, BBQ trailer, eskies
- Services – volunteer hours, workshop facilitators, professional services

Balancing your Budget

Before submitting your budget, check the amounts in each column balance.

The dollar amount in *Total cash income* must equal the amount in *Total cash expenses*.

Likewise, the value amount in *Total in-kind value* must equal the amount in *Total in-kind expenses*.

This will then ensure your TOTAL INCOME equals your TOTAL EXPENSES!



Example Budget

| Section 5: Budget | | | |
|--|---------------|---|---------------|
| Income List in-kind and cash contributions. Include if confirmed (c) or unconfirmed (u) | | Expenses List proposed costs for all goods and services Quotes must be provided for all items over \$200 | |
| CASH INCOME | | CASH EXPENSES | |
| City of Armadale (u) <i>How much are you applying for from the City of Armadale?</i> | \$1000 | Class facilitator fees (quote attached) | \$750 |
| <i>Other sources?</i> | | Marketing (flyers/newspaper) | \$500 |
| Your organisation's cash contribution (c) | \$200 | Catering (quote attached) | \$500 |
| Lotterywest grant (c) | \$1,000 | Prizes (quote attached) | \$300 |
| | | Art and Craft supplies | \$150 |
| | | | |
| Total cash income | \$2200 | Total cash expenses | \$2200 |
| IN-KIND CONTRIBUTIONS | | IN-KIND EXPENSES | |
| Volunteers from your organisation (6 hrs @ \$42/hr) | \$252 | Volunteer hours (6 hrs @ \$42/hr) | \$252 |
| Stationery from your organisations existing supplies | \$40 | Stationery | \$40 |
| Venue Hire donated by another organisation (8hrs @ \$30/hr) | \$240 | Venue hire (8hrs @ \$30/hr) | \$240 |
| | | | |
| Total in-kind value | \$532 | Total in-kind expenses | \$532 |
| TOTAL INCOME | \$2732 | TOTAL EXPENSES | \$2732 |