

# 3 Project Budgeting & Reporting

## Project Budgeting

All project management begins with the budget – it becomes your road map. Regularly cross-checking with your budget will help keep your project on track. The point of having an effective budget, and sticking to it, is so you don't go broke or liquidate.

## Budget Construction

If you don't have a budget format, Arts Nexus can assist you to develop one. If your project is receiving government funding, refer to the budget formats in your funding application.

## Expenditure

Complete a list of all expected outgoing costs. Be accurate by having real quotes and estimates consider:

- Salaries, fees and allowances
- Production/program costs
- Promotion, documentation and marketing costs
- Administration costs

Include every item such as in-kind donations, stationery goods, telephone usage, petrol, and personal time from friends and/or volunteers.

## Professional Fees

Are you paying fees at correct award rates? Funding bodies have now highlighted the need for professional rates to be paid at all times. You may find this is part of the criteria for eligibility. Check with your accountant, your auspicing organisation and organisations like Arts Law on what their reporting requirements are.

## Income

Complete a list of all expected income. Be accurate by having real quotes and estimates consider:

- Earned income
- Other grant income
- Your own contribution
- Sponsorships, fundraising and donations

If you are operating from a projected budget for a funded project, make sure to match every expenditure item with an income item. Please note this does not apply to individuals who are operating a small business who will have different expenditure forecasts and need to itemise these in a business plan.

Include in-kind contributions in both income and expenditure sections.

Make a 5-10% allowance in your expenditure for unexpected expenditure or 'unknowns' called 'contingency'.

Marketing is usually 15-25% of a budget, depending on box office expectations depending on the type of project. Some projects won't need any marketing.

## GST

Even if you are not registered for the GST, you still need to consider it. Consult with your tax accountant, the Australian Tax Office, your auspicing agency and funding bodies. Under certain funding requirements you may not have to collect GST, but your auspicing agent may, which means you will need to factor it in to your budget if you need to pay it. You can lose money if you do not get the GST right. Include the total cost of all items with GST that you will need for your project. Also check out your responsibility in terms of documentation and receipts. Diarize entries/conversations, for example, what you had allocated to be spent and your actual expenditure.

## Monitor Budget Progress

Before costs are incurred, they need to be considered and revised accordingly. Tracking your finances makes it easier to acquit your funds and/or produce records for your accountant and funding bodies.

Once you have created your budget, then received the money (remember to celebrate!), then you actually have to use the money. This is when the real work begins. How best to monitor your budget is best decided by you. No fancy accounting system will work if you don't understand it.

The best filing system for receipts is to keep them all in one place so you can access them easily. You can also use a divider that has 12 sections (one for each month of the year).

Excel Spreadsheets are very useful as a project management tool and a budget monitoring tool, to help you manage your finance systems. It helps to know how to use most of the functions to be sure that all columns are automatically calculating – use the help tutorials for this or search online.

## Acquittal/Outcome Reports

Outcome reports are a source of ongoing advocacy for you. Exemplary reports help funding bodies to receive funds. Using photos and testimonials in your outcome reports helps funding bodies to see what you have achieved.



You must tell your funding body if a significant variation to your project is going to occur before you spend the money. (It's extremely important that any variations also receive approval before the money is spent). You may need an official committee approval for the change in expenditure. Check first with the project officer.

It's a good idea to allocate a timeframe to review and update your budget monitoring process, with regular weekly or fortnightly meetings.

## Links and resources

- ArtsLaw [www.artslaw.qld.gov.au](http://www.artslaw.qld.gov.au)
- ArtsYakka [www.artsyakka.com/](http://www.artsyakka.com/)
- Arts Queensland [www.arts.qld.gov.au/funding/](http://www.arts.qld.gov.au/funding/)
- Australia Council [www.australiacouncil.gov.au/](http://www.australiacouncil.gov.au/)
- Contemporary Music Touring [www.arts.gov.au/arts/contemporary\\_music\\_touring\\_program](http://www.arts.gov.au/arts/contemporary_music_touring_program)
- Festivals Australia [www.arts.gov.au/arts/festivals\\_australia](http://www.arts.gov.au/arts/festivals_australia)
- Gambling Community Benefit Fund [www.olgr.qld.gov.au/grants/gcbf/index.shtml](http://www.olgr.qld.gov.au/grants/gcbf/index.shtml)
- Jupiters Casino Community Benefit Fund [www.olgr.qld.gov.au/grants/JCCBF/index.shtml](http://www.olgr.qld.gov.au/grants/JCCBF/index.shtml)
- Multicultural Affairs Queensland [www.multicultural.qld.gov.au/](http://www.multicultural.qld.gov.au/)
- National Association Visual Artists [www.nava.org.au/awardrates.html](http://www.nava.org.au/awardrates.html)
- Our Community [www.ourcommunity.com.au/funding/funding\\_main.jsp](http://www.ourcommunity.com.au/funding/funding_main.jsp)
- Pacific Film and Television Commission (PFTC) [www.pftc.com.au](http://www.pftc.com.au)
- Philanthropy Australia [www.philanthropy.org.au](http://www.philanthropy.org.au)
- Playing Australia [www.arts.gov.au/arts/playing\\_australia](http://www.arts.gov.au/arts/playing_australia)
- Queensland Artworkers Alliance [www.alliance.org.au](http://www.alliance.org.au)
- Queensland Events Corporation (QEC) [www.qlevents.com.au](http://www.qlevents.com.au)
- RADF [www.arts.qld.gov.au/funding/radf.html](http://www.arts.qld.gov.au/funding/radf.html) and [www.arts.qld.gov.au/funding/radf-rk/app.html](http://www.arts.qld.gov.au/funding/radf-rk/app.html)
- Reef Casino [www.olgr.qld.gov.au/grants/RHCCBF/index.shtml](http://www.olgr.qld.gov.au/grants/RHCCBF/index.shtml)
- Regional Arts Fund [www.arts.gov.au/arts/regional\\_arts\\_fund](http://www.arts.gov.au/arts/regional_arts_fund)
- Regional Arts Fund (Commonwealth funding) [www.qac.org.au](http://www.qac.org.au)
- The Foundation For Young Australians [www.youngaustralians.org](http://www.youngaustralians.org)
- Visions of Australia [www.arts.gov.au/arts/visions\\_of\\_australia](http://www.arts.gov.au/arts/visions_of_australia)
- Youth Arts Queensland [www.yaq.org.au/](http://www.yaq.org.au/)

## Checklist

- Have you found a budget format that is specific to your project needs?
- Have you itemised all income and expenditure?
- Have you determined what areas of your budget are essential?
- Have you included all in-kind, sponsorship expenditure and income in your budget?
- Are you confident you can monitor and manage your budget spending and receipts?
- Have you researched correct fees and award rates to be paid to your project team?
- Are you aware of your reporting obligations for acquitting your budget?

## Telephone Advisory Service

Got a creative idea? Looking for help to grow it? Arts Nexus can assist you to develop your creative ideas into real ventures, find funding, write grants and manage your project. Contact us today on 07 4051 4433 or [admin@artsnexus.com.au](mailto:admin@artsnexus.com.au)