

Budgets

Category:	Finance	Version:	1
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Purpose

To guide decision-making regarding planning for sales, other income and expenses and creating budgets.

Policy

1. Each enterprise and team will be responsible for an annual budget (an estimate of sales, other income and expenses).
2. Budgets should be used as a planning tool to focus goals (e.g., more sales, saving for a large expense like a car, or making provisions for new staff).
3. Budgets also monitor performance and can highlight issues of discrepancy.
4. Budgets assist the Management Committee in its planning and allocation of funds.
5. Budgets give teams self-sufficiency in their money management and confidence in their purchasing decisions.

Procedures

1. Budgets should be developed with assistance from the Finance Team, discussed and prioritised with the whole of Northey Street City Farm through Team Reps and special meetings, and then presented to the Management Committee for discussion and approval.
2. Budgets should cater for both anticipated annual costs as well as reflect forward thinking, i.e., long-term equipment replacement, promotion and seeding money.
3. Budgets should be updated if certain triggers occur, for example; unplanned revenue is earned (i.e., from grants, donations or higher sales) or if there are unexpected asset maintenance/capital expenses or loss of sales (i.e., from drought).
4. Individual teams and enterprises can choose to review and monitor progress either monthly or quarterly, in consultation with the Finance Committee.

