

STRATEGY AND GOVERNANCE

How to create a budget for a project

BEGINNER

→ PLANNING A BUDGET HELPS YOU UNDERSTAND COSTS AND MANAGE RESOURCES EFFICIENTLY FOR A SUCCESSFUL PROJECT EXECUTION.

OBJECTIVES:

- **Fundraising:** A clear budget helps secure funds and support from sponsors by outlining the specific project costs.
- **Transparency:** having a detailed budget gives credibility to the organisation, showing sponsors exactly where the money is spent.

ADVANTAGES:

- **Prioritisation:** a budget guides spending on essential elements and to make informed decisions reducing expenses if necessary.
- **Financial control:** Creating a budget helps you to track and control expenses, ensuring that you stay within the allocated funds.



DEFINE THE SCOPE AND THE GOALS OF THE PROJECT

Clearly outline the purpose, goals, and scope of the project.
Understand what you aim to achieve and the scale of the project.

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GENERAL STRUCTURE AND CATEGORIES

Using our Excel template, you can build the budget structure, thinking about the different categories and necessary items. Try to create a detailed outline whenever possible.

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REQUEST QUOTATIONS FROM SUPPLIERS

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It's important to ask for the same quote from at least 3 different suppliers. Be very clear and exact with the order (quantities, days, hours, etc). Inquire about the availability of NGO discounts.



SELECT THE BEST ALTERNATIVES FOR THE BUDGET

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Having proposals from different suppliers helps you to compare and understand the costs and benefits to select the best alternative. Once you have chosen the option that suits you best, add it to your budget.



CALCULATE THE TOTAL BUDGET

Add up the budgeted amounts for each category to arrive at the total project budget and make a final double-check of the entire budget.

APPROVAL

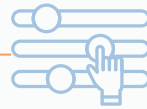
Review and approve the final cost with the person responsible for allocating the budgets for each project within the organisation.

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MONITOR AND ADJUST

After the project approval and supplier confirmation, **try to negotiate the costs or benefits of the resources or services contracted.** Always monitor and adjust the budget before, during, and after the event.

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INVOICES

Request invoices from all contracted suppliers to make payments and close the project accordingly.



TIPS

- **Taxes:** ensure that suppliers' quotations clearly indicate the costs without and with VAT, to differentiate them in the budget. The final total of your budget should include all the taxes so that you have the final amount to request the money.
- **Estimate costs:** If you are working on a first preliminary budget without actual costs from suppliers, try to estimate each item with references, but be realistic, under or over-budgeting could be a big risk.
- **Formulas:** Always confirm that the Excel formulas are correctly applied.

[DOWNLOAD A BUDGET TEMPLATE HERE.](#)