



Budgets

Funders will require reassurance that you will be able to administer your project effectively so you will need to show that you have thought carefully about the finances. A robust budget will give you and your Funders confidence that you have planned ahead and your project is achievable. The budget is the clearest way in which you state exactly what your project entails.

The following may be helpful to you before you draft your budget:

- Good budgeting has some flexibility, which allows you to deal with unexpected changes in a controlled way.
- Your budget should be led by the priorities, not by the finances.
- Do not build your budget on past patterns; always start from scratch with the goals of your current project in mind, rather than previous experience.

You should try to set a budget to ensure:

- Your project's income will match its expenditure
- You can manage the finances
- There is a degree of calculated flexibility allowing room to manoeuvre
- You are able to monitor your progress and plan for the future

Areas of Cost

There are two budget areas that can be considered:

The Project Budget: The Project Budget involves construction, architect, planning, fixtures and fees. If you have a volunteer with experience or knowledge of construction, ask them to help develop the budget.

The Campaign Budget: Fundraising costs are dependent on many factors, such as the size of the campaign, the duration of the campaign, the geographic scope of the campaign and the amount of time required from volunteers.



The Project Budget

The bulk of your Project budget will be Construction Costs:

Construction Hard Costs: include any costs that cannot be physically moved
E.g. site work, renovations, construction work, plumbing, electrical, roofing, wiring.

Construction Soft Costs: include any costs relating to fees or payable services
E.g. surveys, permits, architect fees, engineer fees etc.

Other budget items may include:

Contingencies

- Usually about 10% of construction costs

Architectural fees

- Usually a percentage of the project

Architectural renderings:

- If this is an option, it will need to be funded upfront & completed before campaign fundraising commences

Engineering & contractor fees

- A minimum of 3 quotes & references

Fees, licenses & permits required

- Research planning permissions: local planning authority, DAC etc.

Environmental impact statements

- Including historical impact studies if the building involves a historical structure

Environmental clean up

- If issues are found such as asbestos removal, soil remediation, etc.

Furniture, fixtures and equipment

- Communication systems computer wiring, telephone, internet, Wi-Fi etc.
- Rental for space during construction phase If needed
- Interest on loans for construction - a bridge loan while pledges are paid
- Inflation the longer the project is delayed, the higher expenses will be
- Contingency for unexpected expenses As outlined, around 10%



The Campaign Budget

Campaign expenses are a separate budget and are often funded through:

- a) The overall campaign budget
- b) An operating budget (if you have one) or
- c) From the revenue of Church or Cathedral

Other budget items may include:

Professional Services

- This may include a campaign consultant, a grant writer, an administrator etc.

Marketing and Promotional Materials

- All the materials needed to promote the campaign
- Any design work required
- Any professional photography which is required
- Printing of brochures, letterhead and envelopes

Donor Recognition

- How you will recognise donors needs to be planned early on e.g. plaques, dinner events, dedication ceremonies, events etc.

Campaign Events

- Event expenses could potentially include facility rental, entertainment, equipment rental, catering, volunteer expenses & possibly an event speaker.

Support Systems

- If the church needs to purchase software or hardware this can become part of the campaign budget. Include postage and office supplies.
- Other expenses in this category will include telephone, fax & internet costs

Travel

- Travel expenses may be a factor if the campaign is regional or national in scope, or if trips to national/regional foundations to solicit funds are required.

Example Budget

St Mary's Church, Hackney Community Project Phase 2

Income to 31/12/2012		£53,945
Grant releasing payments	£5,392	
Investigative work	£1,200	£6,592
		£47,353
Tax refund to 31/12/12		£648
Donations received in 2012		£39,320
Tax refund to 5/4/13		£5,550
Grants from HLF & Pilgrim Trust		£63,000
Estimated tax to be recovered (post 5/4/12)		£1,838
		£157,709
		Cost of Work
Architect fees for preparatory work		£8,836
Balance of architect fees		£6,378
Construction costs first stage	£106,053	
Demountable staging	£4,200	
Asbestos Inspection	£475	
Retention	£2,839	
		£113,567
Construction costs to consider paying from fabric fund	-£335	
Chairs	£18,000	
Heating during drying of floor	£1,750	
Moving of altar	£1,140	
Restoration of sound system	£3,102	
Sound desk	£454	£152,892
Possible surplus		£4,816