

## FACT SHEET – YOUR BUDGET AND GST

The Budget section of any grant application is one of the most important components that will be very carefully reviewed. Applicants must read and follow the grant application guidelines and support material.

### Summary: Preparing your budget

1. Prepare your budget knowing whether or not you need to include GST in your total expense, making sure you match your income to the correct expense total column.
2. Obtain written quotes.
3. Include estimation of in kind contributions.

### Budgets and GST

Grants from the Foundation Murrindindi do not include a GST component. If your organisation (applicant) is not registered for GST, you should include GST in the project total. If your organisation is registered for GST, your total project cost will be exclusive of GST, as you will be able to claim the GST components in your invoices in your regular BAS statements.

If you are an auspice organisation or you are using an auspice organisation, the GST criteria is based on the auspice organisation's GST status.

### Income and expenditure

Income and expenditure items must be clearly identified.

List all sources of income; that could include your organisation's contribution to the projects, donations, in kind contributions and the grant request amount.

List all expenses and be as detailed as possible. Expenses may include materials, printing, advertising, tradespeople, marketing, and training, just to name a few. Expenditure items must be supported with a written quote.

The total project income must be the same as the total project expense (taking in to account whether or not the applicant organisation is registered for GST). See the samples on the next page.

It is important to be realistic about proposed expenditure, most grant makers have a good understanding of budgets and can easily check budget amounts.

Note that the Project Completion Report that is required to be completed at the end of the project, also includes a financial acquittal and the expenditure should be the same as outlined in the budget, and copies of invoices must be provided.

### In kind contribution

It is important to acknowledge any 'in kind' contributions. In Kind means contributions of goods or services, other than cash grants. It could include volunteer time, donations of equipment or services, or labour. This amount is not actually paid to you, it is recognition of your contribution to the project. It is important to calculate the value of the in kind contribution carefully.

Note that the Project Completion report that is required to be completed at the end of the project, also includes a financial acquittal. Applicants should keep records for any in kind contributions and include this in the acquittal.

### Sample budget - Applicant organisation is not registered for GST

In this sample, the budget is prepared taking in to account that the organisation is not registered for GST, and therefore cannot claim back the GST components on any invoices received. So, the total income column must match the total expenses column, inclusive of GST.

Income	Item amount	\$GST on income item	Total income amount including GST	Expenditure	Item amount	\$GST on expense item	Total expense amount including GST
Hall Committee contribution	\$1,537.00	0	\$1,537.00	Electrical works	\$650.00	\$65.00	\$715.00
Grant from government	\$1,500.00	\$150.00	\$1,650.00	Timber	\$1,800.00	\$180.00	\$1,980.00
Foundation Murrindindi grant	\$4,000.00	0	\$4,000.00	Hire of equipment	\$520	\$52	\$572.00
In kind contribution – labour (20 hours at \$20/hr)	\$400.00	0	\$400.00	Fixtures and fittings	\$2,200.00	\$220.00	\$2,420.00
				Flooring	\$1,400.00	\$140.00	\$1,540.00
				In kind contribution -project management (12 hours at \$30p/hr)	\$360.00	\$0	\$360.00
<b>Total</b>	<b>\$7,437.00</b>	<b>\$150.00</b>	<b>\$7,587.00</b>		<b>\$6,930.00</b>	<b>\$657.00</b>	<b>\$7,587.00</b>

### Sample budget – Applicant organisation is registered for GST

In this sample, the budget is prepared taking in to account that the organisation is registered for GST, and therefore can claim back the GST components on any invoices received. So, the total income column must match the total expenses column, exclusive of GST.

Income	Item amount	\$GST on income item	Total income amount including GST	Expenditure	Item amount	\$GST on expense item	Total expense amount including GST
Grant application from other organisation	\$1,500.00	\$150.00	\$1,650.00	Venue hire	\$1,200.00	\$120.00	\$1,320.00
Committee Cash	\$485.00	\$0	\$485.00	Printing	\$560.00	\$56.00	\$616.00
Sponsors	\$800.00	\$0	\$800.00	Advertising	\$850.00	\$85.00	\$935.00
Foundation Murrindindi grant	\$2,000.00	\$0	\$2,000.00	Insurance	\$750.00	\$75.00	\$825.00
In kind contribution – labour (25 hours at \$25 p/hr)	\$625.00	\$0	\$625.00	Equipment hire	\$2,200.00	\$220.00	\$2,420.00
<b>Total</b>	<b>\$5,410.00</b>	<b>\$150.00</b>	<b>\$5,560.00</b>		<b>\$5,560.00</b>	<b>\$556.00</b>	<b>\$6,116.00</b>