

Note on Budget profiles

The aim of profiling budgets over the year is to reflect the timing of expenditure so that meaningful budget monitoring can take place during the year. Meaningful budgetary information requires comparison of actual versus budget on a year-to-date basis and overall impact, so as to highlight variations between actual and budget.

Budgets can be profiled in the following ways

Monthly – the budget is split into equal 12 monthly installments, this is used for salaries expenditure headings, and is used as the default profile.

Monthly in arrears – the budget is split into equal installment for May to Feb and then two installments in March, this is used for payroll deductions and monthly contracts based on the previous monthly deliverables.

Annually – the budget is allocated to one particular month, where expenditure is incurred as one annual amount, such as grant payments, subscriptions.

Year End – the budget is all allocated to post year end periods used for accounting purposes, such as depreciation, recharges, annual grant claims (ie Housing Benefit Subsidy).

Quarterly and Half yearly – Quarterly is based on a four monthly cycle and likewise half yearly can be any two months six months apart.

Seasonally – the budget is calculation based on seasonal variances, and usually based on prior years activities, and cover items such as car parking income which is higher in the summer, events and tourism activities