

Prepare and monitor a training budget



Training provider series: Planning an income oriented short training course

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Introduction

This module is part of a series on planning an income oriented short course. It has been written for individuals or groups interested in organising and delivering training for people with income earning ideas. In particular, this book targets:

- training providers
- community leaders
- NGOs
- church groups
- individuals with some training experience.



What does income oriented mean?



It means thinking about ways to make some money

Learning outcome



What's a learning outcome?

It's a statement which indicates what you should be able to do after you have read through the module and completed the activities



The learning outcome for this module is as follows:

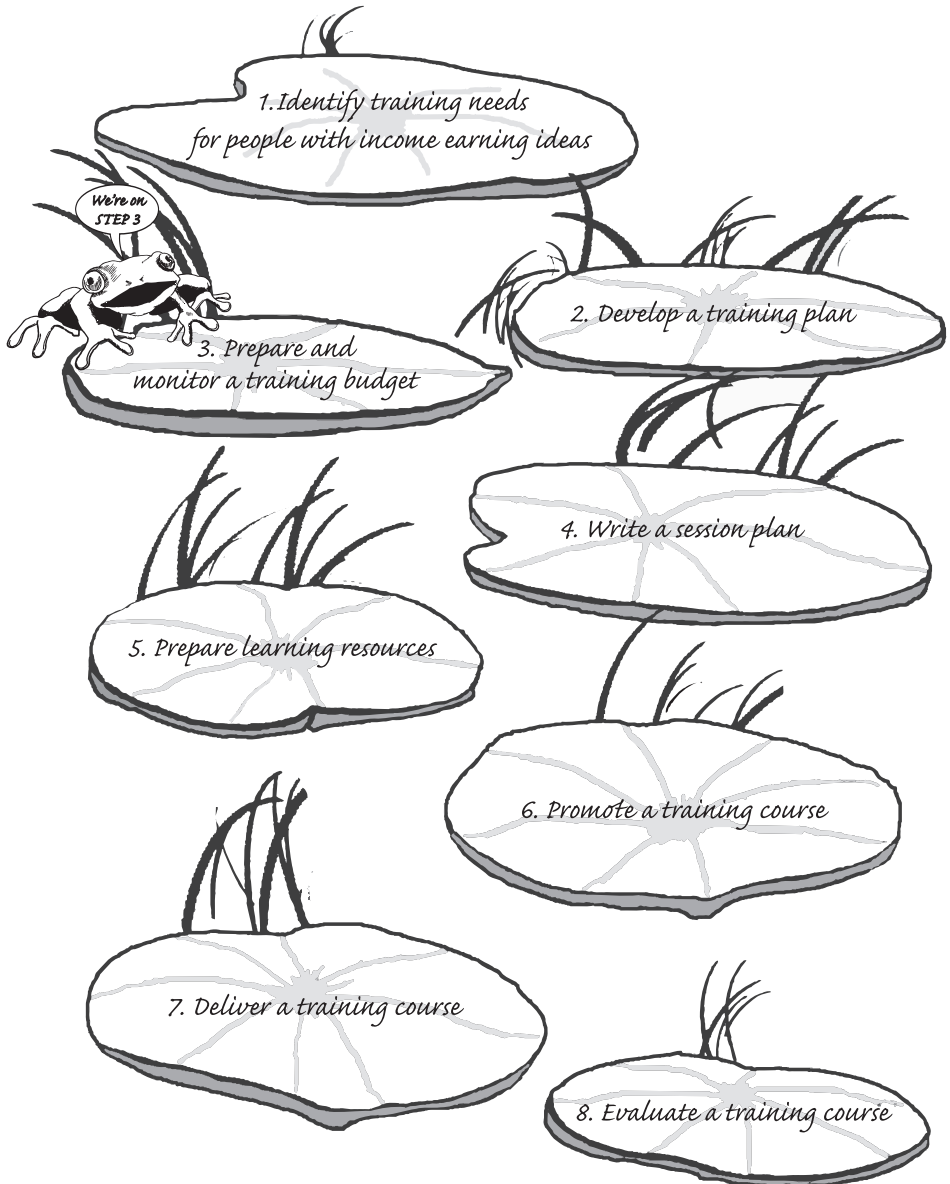
"At the end of this module you should be able to prepare and monitor a training budget for an income oriented short training course using the formats provided."



This module will help you to prepare and monitor training budget. It is only a guide for you to build on.

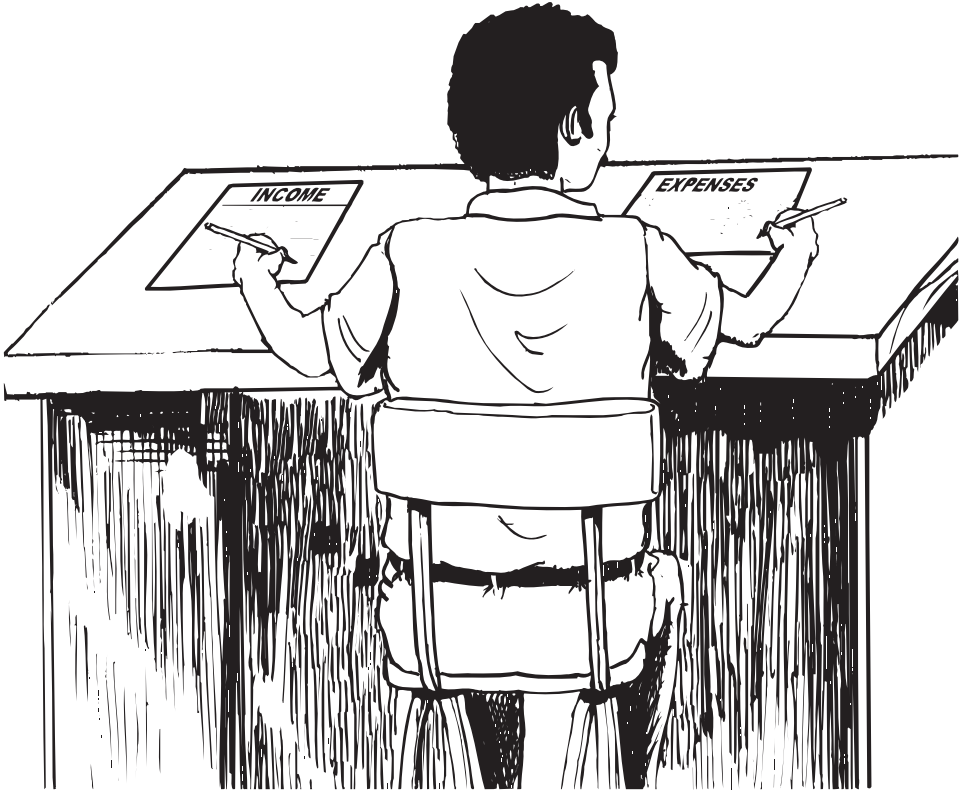
Planning an income oriented short training course

To plan an income oriented short training course you should follow this step by step process. Preparing a training budget is the third step in the process.



What is a budget?

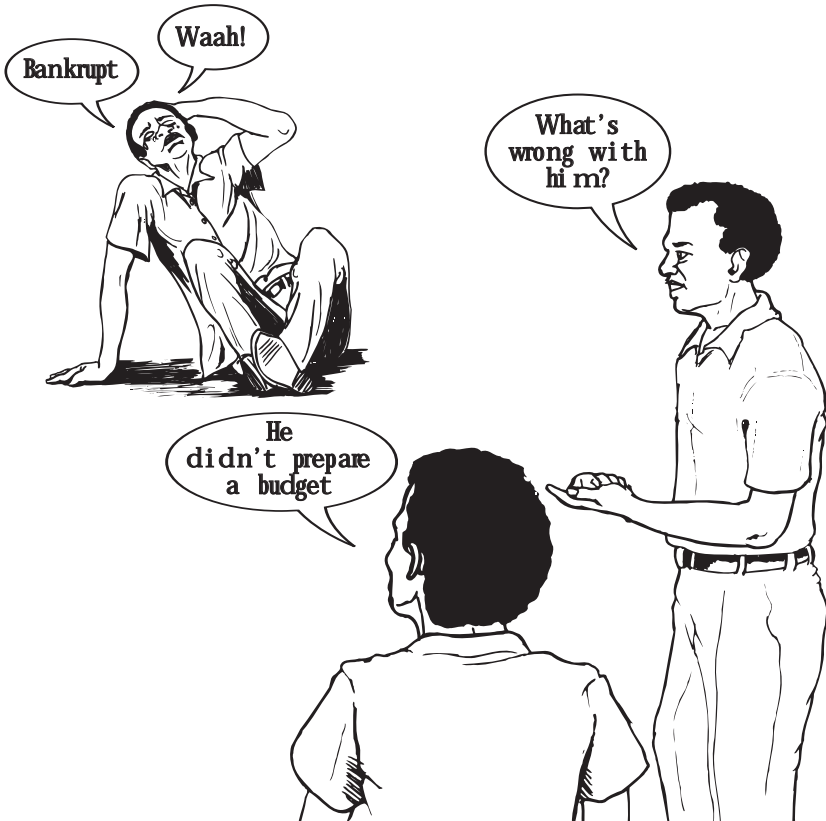
A budget is a detailed plan of income and expenses.



Why do I need a budget?

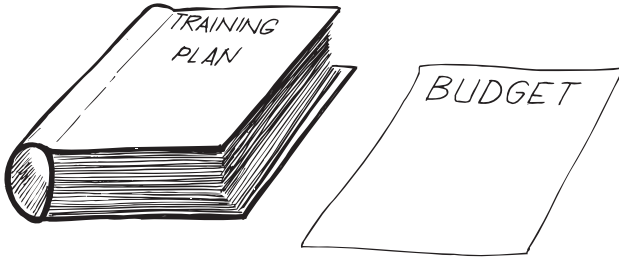
A training budget for a short training course helps you:

- control your money
- to monitor your expenses and income
- plan in advance how much money you need to spend and how you can generate income to cover your expenses
- make decisions about your spending
- account for any funds you have received from a funding organisation, and complete the necessary acquittal process.

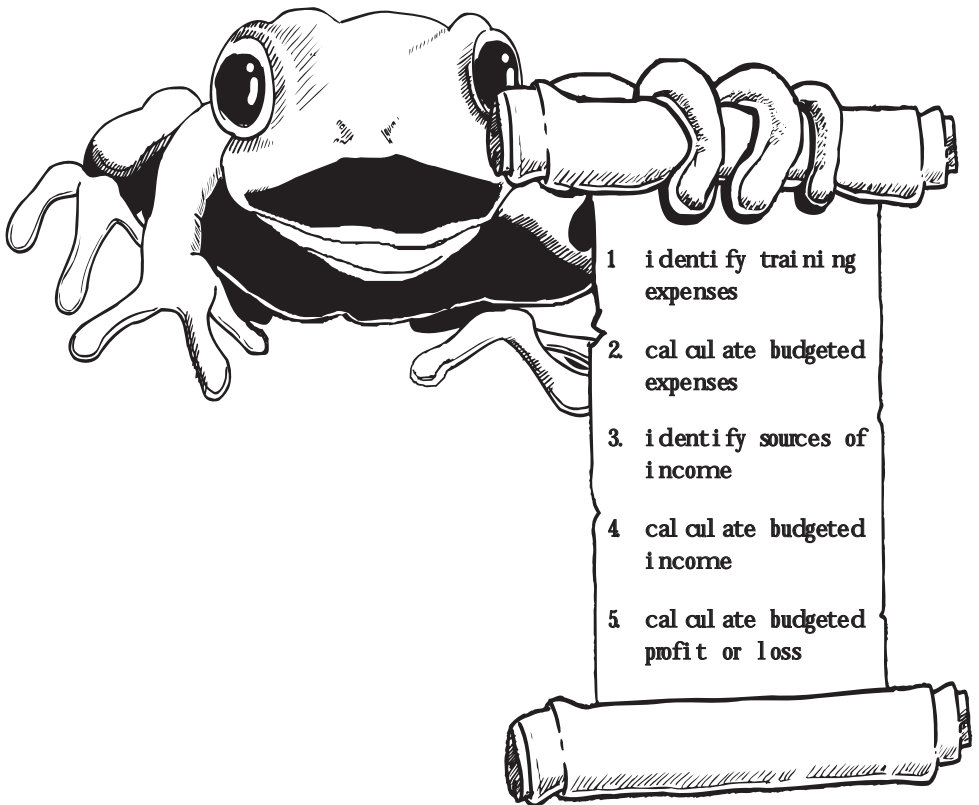


How do I prepare a budget?

Before you can prepare a budget you need to prepare a training plan. The training plan helps you to make a correct estimate of training expenses. If you have not completed a training plan refer to the module *Develop a Training Plan*.



Once you have developed a training plan you can follow these steps to prepare a budget.



1



Identify training expenses

An expense is any money you spend. The following are examples of training expenses.

1. Marketing

Some examples of marketing expenses are:

- marketing materials such as brochures or flyers
- tokens
- contacting people in your network.



2. Professional staff

Professional staff expenses include:

- wages of trainers
- wages of assistant trainers and administration staff.



3. Transport and travelling

Transport and travelling expenses may be incurred by the training provider and the trainees. Examples include:

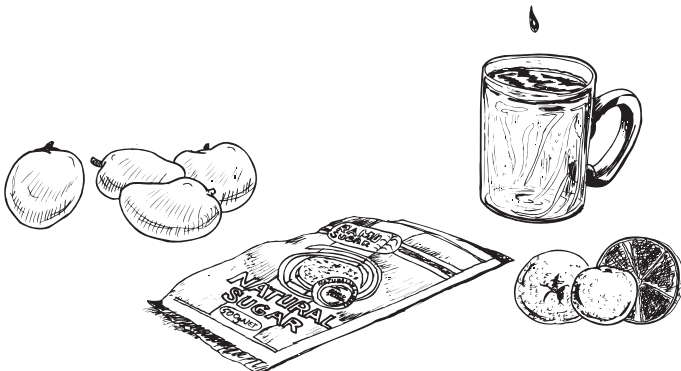
- vehicle hire
- fuel
- bus fares



4. Raw materials

Raw materials are the materials you need to make the product you are teaching trainees to do. For example in the mango jam making course, raw materials include:

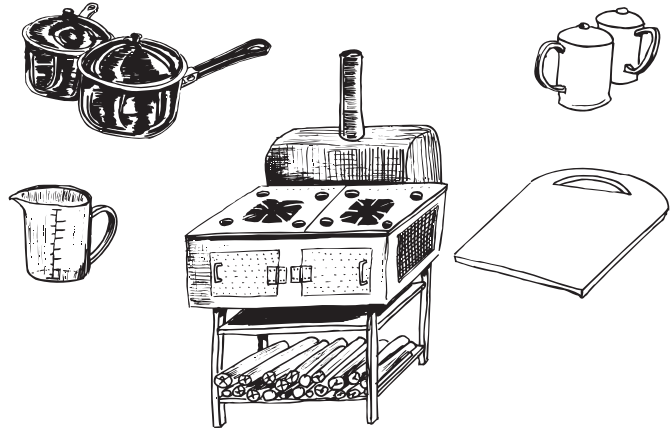
- mangos
- sugar
- water
- lemons



5. Equipment

Equipment includes items you need to make the product during the training course. For example in the mango jam making course equipment includes:

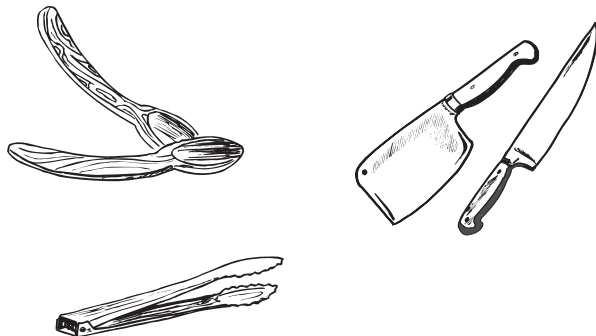
- cooking pots
- firewood stoves
- jars with lids
- cutting boards
- measure cups



6. Tools

Tools are any implements needed for the training. For example a mango jam making course might include the following tools as expense items:

- wooden spoons
- tongs
- knives



7. Training materials

Training materials include:

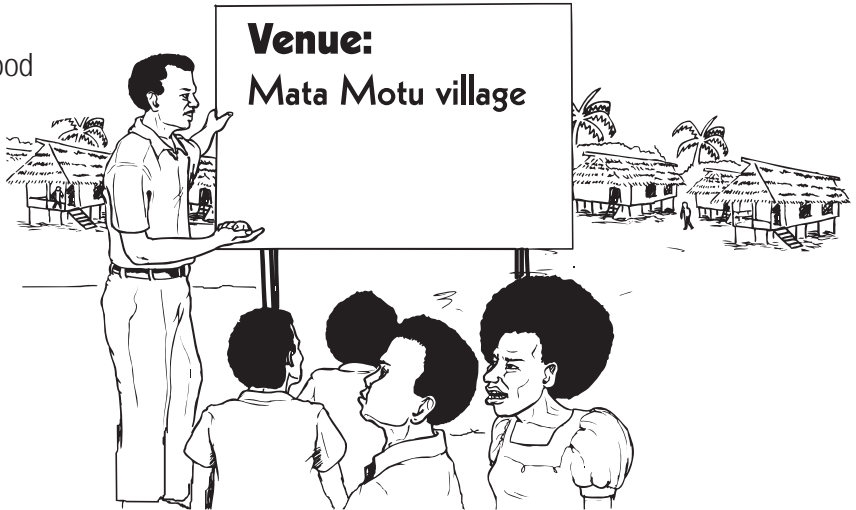
- whiteboards, chalkboards, pin boards
- stationery items
- printed programs
- handouts
- notes
- workbooks



8. Training venue

This includes any hire fees for use of the training venue. Also included in this expense item are the following items because they are used as part of the training venue.

- electricity
- fuel
- water
- firewood



9. Refreshments

Refreshments include any food and drink provided during the training course.



Entering expenses into the budget format

Once you have identified your expense items list them in the left hand column of the budget format under the appropriate headings.

Example

The following is an example for the jam making course.

| Training course expenses | |
|---|--|
| Title of training course: Making mango jam to improve your income | |
| Training course duration: 7.5 hours | |
| Number of participants: 15 | |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|------------------------------------|-------------------|-----------|---------------------------------------|
| 1. Marketing | | | |
| A4 flyer | | | |
| | | Total | <input type="text"/> |
| 2. Professional staff | | | |
| Trainer | | | |
| | | Total | <input type="text"/> |
| 3. Transport and travelling | | | |
| | | | |
| | | Total | <input type="text"/> |
| 4. Raw materials | | | |
| Mangos | | | |
| Sugar | | | |
| Water | | | |
| Lemons | | | |
| | | Total | <input type="text"/> |
| 5. Equipment | | | |
| Wood stove | | | |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|--------------------------------------|-------------------|--------------|---------------------------------------|
| Pots | | | |
| Jars with lids | | | |
| Cutting boards | | | |
| Measure cups | | | |
| | | Total | |
| 6. Tools | | | |
| Wooden spoons | | | |
| Tongs | | | |
| Knives | | | |
| | | Total | |
| 7. Learning materials | | | |
| Workbooks | | | |
| | | Total | |
| 8. Training venue | | | |
| Venue hire | | | |
| Firewood | | | |
| Electricity | | | |
| | | Total | |
| 9. Refreshments | | | |
| Morning tea | | | |
| | | Total | |
| Total cost of training course | | | |



Activity

In the left hand column of the budget format on the following page list the expense items for your training course.

If you have completed the module *Develop a Training Plan* use the information from that module to complete this activity.

Training course expenses

Title of training course:

Training course duration:

Number of participants:

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|-----------------------------|-------------------|-----------|---------------------------------------|
| 1. Marketing | | | |
| | | | |
| | | Total | |
| 2. Professional staff | | | |
| | | | |
| | | Total | |
| 3. Transport and travelling | | | |
| | | | |
| | | Total | |
| 4. Raw materials | | | |
| | | | |
| | | | |
| | | | |
| | | Total | |
| 5. Equipment | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | Total | |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|-------------------------------|-------------------|-----------|---------------------------------------|
| 6. Tools | | | |
| | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 7. Learning materials | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 8. Training venue | | | |
| | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 9. Refreshments | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| Total cost of training course | | | <input type="text"/> |

2



Calculate budgeted expenses

To calculate budget expenses follow these steps:

1. Determine the exact quantities required for each expense item and enter this into the budget format.
2. Find the unit cost for each expense item and enter this into the budget format.
3. Calculate the cost for each expense item by multiplying *quantity required by unit cost*.

Quantity required x unit cost = total budgeted expense

| Training course expenses | |
|---|--|
| Title of training course: Making mango jam to improve your income | |
| Training course duration: 7.5 hours | |
| Number of participants: 15 | |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|------------------------------------|-------------------|--------------|---------------------------------------|
| 1. Marketing | | | |
| A4 flyer | 20 | 50t | K10 |
| | | Total | K10 |
| 2. Professional staff | | | |
| Trainer | 1 | Set fee | K30 |
| | | Total | K30 |
| 3. Transport and travelling | | | |
| | | | Nil |
| | | Total | Nil |
| 4. Raw materials | | | |
| Mangos | 15 kg | K5/kg | K75 |
| Sugar | 10 pkts | K5 | K50 |
| Water | Water | Nil | Nil |
| Lemons | 30 | 50t | K15 |
| | | Total | K140 |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|---------------------------------------|-------------------|-------------------|---------------------------------------|
| 5. Equipment | | | |
| Wood stove | Wood stove | Nil (bring own) | Nil |
| Pots | 15 | Nil (bring own) | Nil |
| Jars with lids | 90 | Nil (bring own) | Nil |
| Cutting boards | 15 | Nil (bring own) | Nil |
| Measure cups | 15 | | Nil |
| | | Total | Nil |
| 6. Tools | | | Nil |
| Wooden spoons | 15 | Nil (bring own) | Nil |
| Tongs | 5 | Nil (bring own) | Nil |
| Knives | 15 | Nil (bring own) | Nil |
| | | Total | Nil |
| 7. Learning materials | | | Nil |
| Workbooks | 15 books | Nil | Nil |
| | | Total | Nil |
| 8. Training venue | | | |
| Venue hire | At the house | | Nil |
| Firewood | 15 bundles | K5 | K75 |
| Electricity | 10 units | K1 | K10 |
| | | Total | K85 |
| 9. Refreshments | | | |
| Morning tea | | Set catering cost | K30 |
| | | Total | K30 |
| Total costs of training course | | | K295 |



Activity

Go back to the budget format on page 15 and complete the following steps.

1. Determine the exact quantities required for each expense item and enter this into the budget format.
2. Find the unit cost for each expense item and enter this into the budget format.
3. Calculate the cost for each expense item by multiplying 'quantity required' by 'unit cost'.

Quantity required x Unit cost = Total budgeted expense

If you have completed the module *Develop a training plan* use the information from that module to complete this activity.

3

Identify sources of income



Income is any money that you receive. Potential sources of income for a training course include:

- trainees fees
- sale of products/services
- sponsors
- donations
- funding organisations.

Example

For the mango jam making course income will be generated by:

- trainees fees (trainees will pay K2 each)
- sale of jam made by trainees at the local market (jam will be sold at K5 per jar).



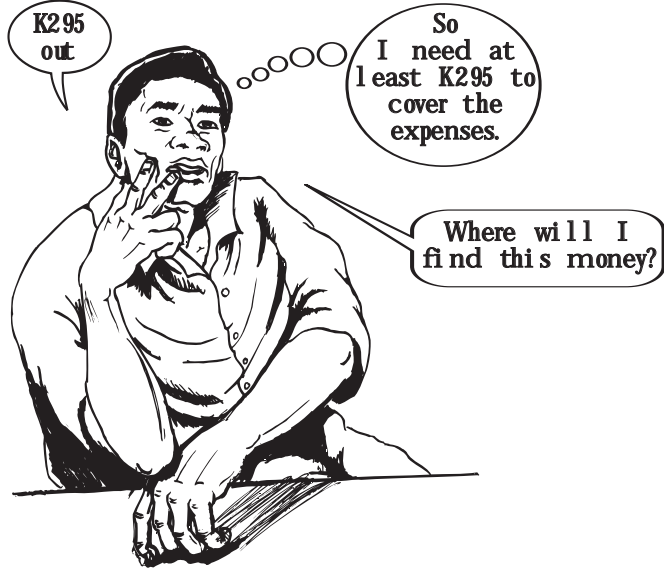
4



Calculate budgeted income

How much income do you need?

Income should at least cover your expenses. For the mango jam making course, expenses are K295, therefore income needs to be K295 or more.



How do I calculate total budgeted income?

1. enter your sources of income
2. calculate the income for each
3. total these amounts to determine total budgeted income.

Example

The following is the budgeted income for the mango jam making course

| Training course income |
|---|
| Training provider: |
| Title of training course: Making mango jam to improve your income |
| Training course duration: 7.5 hours |
| Number of participants: 15 |

| Income | Income per income source |
|---|--------------------------|
| Trainee fees Number of trainees | K30 |
| Sale of products/services Number of items 70 x price per item K5 | K350 |
| Sponsor (name of organisation) | |
| Donation (name of organisation) | |
| Funding organisation (name of organisation) | |
| Total budgeted income for the training course | K380 |



Activity

Using the format provided enter the details of your sources of income and calculate the total income for the training course.

Training course income

| |
|---|
| Training provider: |
| Title of training course: Making mango jam to improve your income |
| Training course duration: 7.5 hours |
| Number of participants: 15 |

| Income | Income per income source |
|---|--------------------------|
| Trainee fees Number of trainees _____ x trainee fee per student | |
| Sale of products/services Number of items _____ x price per item | |
| Sponsor (name of organisation) | |
| Donation (name of organisation) | |
| Funding organisation (name of organisation) | |
| Total budgeted income for the training course | |

5



Calculate budgeted profit or loss

Profit is the money you have left after you have accounted for all of your income and expenses. For a profit to be achieved total income must be more than total expenses.

Profit

To calculate profit, subtract expenses from income.

Income – expenses = profit

Example:

Income K100 – expenses K80 = profit K20



Loss

A loss means your expenses are greater than your income.

Example:

Income K80 – expenses K100 = loss K20



Profit and income

Profit is different from income. Increasing income does not necessarily mean a greater profit if at the same time expenses also increase. When budgeting it is important to consider profit, not just income.

Example:

Income K100 – expenses K80 = profit K20

If income increases by K50 and expenses by K60 then profit is reduced by K10.

Example:

Income K150 – expenses K140 = profit K10



Break even

To break even means income is equal to expenses.

Example:

Income K100 – expenses K100 = profit K0



Example of a budget showing a profile

The following budget is for the jam making course. You can see that income is K380 while expenses are K295, leaving a profit of K85.

Income K380 – expenses K295 = profit K85

| Training course income | |
|---|--|
| Training provider: | |
| Title of training course: Making mango jam to improve your income | |
| Training course duration: 6 hours | |
| Number of participants: 15 | |

| Income | |
|---|-----------------|
| Income source | Budgeted income |
| Trainee fees Number of trainees 15 x trainee fee per trainee K2 | K30 |
| Sale of products/services Number of items 70 x price per item K5 | K350 |
| Total budgeted income for the training course | K380 |

| Expenses | | | |
|------------------------------------|-------------------|--------------|---------------------------------------|
| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
| 1. Marketing | | | |
| A4 flyer | 20 | 50t | K10 |
| | | Total | K10 |
| 2. Professional staff | | | |
| Trainer | 1 | Set fee | K30 |
| | | Total | K30 |
| 3. Transport and travelling | | | |
| | | | Nil |
| | | Total | Nil |

| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
|------------------------------|-----------------------|-----------------|---|
| 4. Raw materials | | | |
| Mangos | 15 kg | K5/kg | K75 |
| Sugar | 10 pkts | K5 | K50 |
| Lemons | 30 | 50t | K15 |
| | | Total | K140 |
| 5. Equipment | | | |
| Wood stove | Wood stove | Nil (bring own) | Nil |
| Pots | 15 | Nil (bring own) | Nil |
| Jars with lids | 90 | Nil (bring own) | Nil |
| Cutting boards | 15 | Nil (bring own) | Nil |
| Measuring cups | 15 | | Nil |
| | | Total | Nil |
| 6. Tools | | | |
| Wooden spoons | 15 | Nil (bring own) | Nil |
| Tongs | 5 | Nil (bring own) | Nil |
| Knives | 15 | Nil (bring own) | Nil |
| | | Total | Nil |
| 7. Learning materials | | | |
| Workbooks | 15 books | Nil (provided) | Nil |
| | | Total | Nil |
| Training venue | | Nil | Nil |
| venue hire | Training at the house | | |
| Firewood | | | |
| Electricity | 15 bundles | K5 | K75 |
| | 10 units | K1 | K10 |
| | | Total | K85 |

| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
|--------------------------------|-------------------|-------------------|---------------------------------------|
| 9. Refreshments | Morning tea | Set catering cost | K30 |
| | cakes, coffee | | |
| | tea, milk | Total | K295 |
| Total costs of training course | | | |

| Profit/Loss | |
|-------------------------------|------------|
| Income K380 - Expenses K295 = | K85 |



Activity

Enter your income and expense information into the following budget format and calculate your profit/loss

| Training course budget | |
|---------------------------|--|
| Training provider: | |
| Title of training course: | |
| Training course duration: | |
| Number of participants: | |

| Income | |
|----------------------------------|-----------------|
| Income source | Budgeted Income |
| | |
| | |
| | |
| | |
| Total income for training course | |

| Expenses | | | |
|-----------------------------|-------------------|-----------|---|
| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
| 1. Marketing | | | |
| | | | |
| | | Total | <input type="text"/> |
| 2. Professional staff | | | |
| | | | |
| | | Total | <input type="text"/> |
| 3. Transport and travelling | | | |
| | | | |
| | | Total | <input type="text"/> |
| 4. Raw materials | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 5. Equipment | | | |
| | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 6. Tools | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| | | | |

| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
|-------------------------------|-------------------|-----------|---|
| 7. Learning materials | | | |
| | | | |
| | | Total | <input type="text"/> |
| 8. Training venue | | | |
| | | | |
| | | | |
| | | | |
| | | Total | <input type="text"/> |
| 9. Refreshments | | | |
| | | | |
| | | Total | <input type="text"/> |
| Total cost of training course | | | <input type="text"/> |

| |
|--|
| Profit/Loss |
| Income - Expenses = <input type="text"/> |

What if your budget shows a loss?

If your training budget shows you will make a loss you have two alternatives.

- reduce expenses
- increase income.

Example

Take a look at the following budget.

| Training course income | |
|---|--|
| Training provider: | |
| Title of training course: Making mango jam to improve your income | |
| Training course duration: 6 hours | |
| Number of participants: 15 | |

| Income | |
|---|-----------------|
| Income source | Budgeted income |
| Trainee fees Number of trainees 15 x trainee fee per trainee K2 | K30 |
| Sale of products/services Number of items 70 x price per item K5 | K350 |
| Total budgeted income for the training course | K380 |

| Expenses | | | |
|------------------------------|-------------------|--------------|---------------------------------------|
| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
| 1. Marketing | | | |
| Coloured brochure | 100 | K2 | K200 |
| Ad in Post Courier | 1 | K200 | K200 |
| | | Total | K400 |
| 2. Professional staff | | | |
| 3 Trainers | 3 | K30 per day | K90 |
| | | Total | K90 |

| Expenses | | | |
|------------------------------------|-------------------|-----------------|---------------------------------------|
| Expense item | Quantity required | Unit cost | Total budget expense per expense item |
| 3. Transport and travelling | | | K75 |
| PMV fare for trainees to venue | 15 | K5 | |
| | | Total | K75 |
| 4. Raw materials | | | |
| Mangos | 15 kg | K5/kg | K75 |
| Sugar | 10 pkts | K5 | K50 |
| Water | Water | Nil | Nil |
| Lemons | 30 | 50t | K15 |
| | | Total | K140 |
| 5. Equipment | | | |
| Electric stove | 8 (hire) | K20 | K160 |
| Pots | 15 | K10 | K150 |
| Jars with lids | 90 | K2 | K180 |
| Cutting boards | 15 | K5 | K75 |
| Measuring cups | 15 | K1 | K15 |
| | | Total | K580 |
| 6. Tools | | | |
| Wooden spoons | 15 | Nil (bring own) | Nil |
| Tongs | 5 | Nil (bring own) | Nil |
| Knives | 15 | Nil (bring own) | Nil |
| | | Total | Nil |
| 7. Learning materials | | | |
| Workbooks | 15 books | Nil (provided) | Nil |
| | | Total | Nil |

What if your budget shows a loss?

| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
|--------------------------------------|-------------------|-------------------|---|
| 8. Training venue | | | |
| Venue hire, local hall | | K50 | K50 |
| Electricity | 30 units | K1 | K30 |
| | | Total | K80 |
| 9. Refreshments | | | |
| Morning tea | | Set catering cost | K100 |
| Lunch | | | |
| | | Total | K100 |
| Total cost of training course | | | K1470 |

| Profit/Loss | |
|--------------------------------|---------------|
| Income K380 - Expenses K1470 = | -K1090 |

This is a loss of K1090!!! What can you do?

The suggestions in the following tables would bring this budget under control.

| Training course budget | |
|---|--|
| Training provider: | |
| Title of training course: Making mango jam to improve your income | |
| Training course duration: 6 hours | |
| Number of participants: 15 | |

| Income | |
|--|-----------------|
| Income source | Budgeted income |
| Trainee fees Number of trainees 15 x trainee fee per trainee K2 | K30 |
| Sale of products/ services Number of items 70 x price per item K5 | K350 |
| Total income for the training course | K380 |

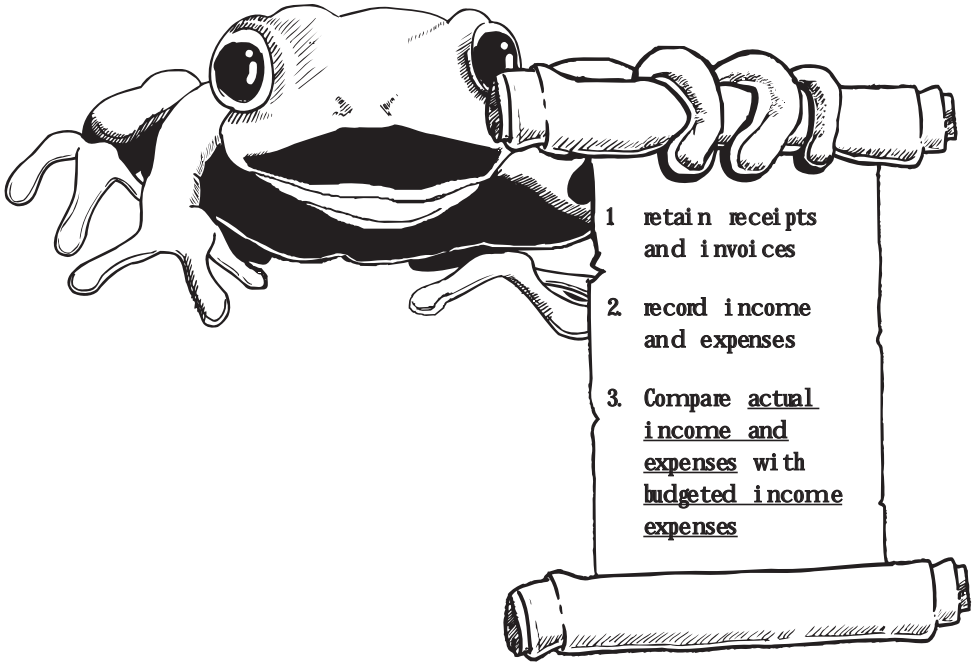
| Expenses | | | |
|---|-------------------|--------------|---|
| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
| 1. Marketing | | | |
| Coloured brochure | 100 | K2 | K200 |
| Ad in Post Courier | 1 | K200 | K200 |
| These options are too expensive and unnecessary | | Total | K400 |
| 2. Professional staff | | | |
| 1 Trainer and 2 assistants | 3 | K30 per day | K90 |
| Too many trainers. | | Total | K90 |

| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
|---|-------------------|-----------------|---|
| 3. Transport and travelling | | | |
| PMV fare for trainee to venue | 15 | K5 | K75 |
| This could be avoided if the trainers went to where the trainees were | | | Total K75 |
| | 15 kg | K5/kg | K75 |
| 4. Raw materials | 10 pkts | K5 | K50 |
| Mangos | Water | Nil | Nil |
| Sugar | 30 | 50t | K15 |
| Water | | | Total K140 |
| Lemons | | | |
| 5. Equipment | 8 (hire) | K20 | K160 |
| Electric stove (use wood fire stove is cheaper and more realistic for everyday use) | 15 | K10 | K150 |
| Pots | 90 | K2 | K180 |
| Jars with lids | 15 | K5 | K75 |
| Cutting boards | 15 | K1 | K15 |
| Measuring cups | | | Total K580 |
| | | | |
| | 15 | Nil (bring own) | Nil |

What if your budget shows a loss?

| Expense item | Quantity required | Unit cost | Total budgeted expense per expense item |
|--------------------------------------|--|--------------------|---|
| Tongs | 5 | Nil to bring their | Nil |
| Knives | 15 | Nil own tools) | Nil |
| | | Total | Nil |
| 7. Learning materials | | | |
| Workbooks | 15 books | Nil (provided) | Nil |
| | | Total | Nil |
| 8. Training venue | | | |
| Venue hire, local hall | | K50 | K50 |
| Electricity | 30 units | K1 | K30 |
| | | Total | K85 |
| 9. Refreshments | | | |
| Morning tea | | Set catering cost | K100 |
| Lunch | This is over the top for a short course. You | | |
| | | Total | K100 |
| Total cost of training course | | | K1470 |
| Profit/Loss | | | |
| Income K380 - Expenses K1470 = | | | -K1090 |

How do I monitor the budget?



1



Retain receipts and invoices

To monitor the budget you must keep accurate records of all income and expenses.

Income

If you receive money from trainees, or sell products or services to pay for a training course you need to keep a record. To do this you can:

- issue a receipt
- have trainees sign an attendance sheet as evidence they have paid
- keep the bank deposit slip as a record that you banked this money.

This is an example of receipt book showing a receipt issued to a trainee who attended a training course

Original

RECEIPT

Received from: John Adams

The sum of: £100.00

For: training course fee

John Adams

John Adams

An example of a signed list of trainees who attended a training course and have paid

LIST OF TRAINEE

| NO | NAME | NO. OF DAYS | AMOUNT PAID | DATE PAID | TOTAL PAID |
|----|----------|-------------|-------------|-----------|------------|
| 1 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 2 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 3 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 4 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 5 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 6 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 7 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 8 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 9 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 10 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 11 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 12 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 13 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 14 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 15 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 16 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 17 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 18 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 19 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 20 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 21 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 22 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 23 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 24 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |
| 25 | Abdullah | 5 | 1000 | 10/10/20 | 1000 |

This is an example of a bank deposit slip for this group of trainees who attended the training course



If you sell products or services to raise funds for a training course you should also issue a receipt and keep a record. Below is an example of a receipt book showing a receipt issued for the sale of mango jam at the local market.

Expenses

When you spend money you must keep the **original** of all:

- receipts
- invoices.

Having this paperwork makes it easier to add up all of the money you have spent and check it off against the budget.

Having **original receipts and invoices** is essential for the acquittal process.



Receipts

You should make sure you get a receipt for every purchase you make and keep the original.

What is an acceptable receipt?

| Receipt checklist | |
|--|---|
| The receipt is readable | ✓ |
| The receipt identifies the date of the transaction | ✓ |
| The receipt identifies the business selling the product or service | ✓ |
| The receipt itemises all purchase items and the amount for each | ✓ |
| The receipt records the total amount spent | ✓ |

If you buy something from a shop you should get a receipt printed from the cash register.

This is an example of a good receipt

RECEIPT
 TO WHOM IT MAY COME
 OF THE PURCHASE OF THE FOLLOWING GOODS
 MADE PAYABLE BY ME
 I AM A MEMBER OF THE...

THE TOTAL AMOUNT OF THE ABOVE IS
 £100.00

| DATE: 01/10/2010 | |
|------------------|--------|
| 1000 | 100.00 |
| 2000 | 50.00 |
| 3000 | 50.00 |
| 4000 | 100.00 |
| 5000 | 100.00 |
| 6000 | 100.00 |
| 7000 | 100.00 |
| 8000 | 100.00 |
| 9000 | 100.00 |
| 10000 | 100.00 |

PLEASE SIGN AND RETURN TO THE...
 THANK YOU FOR YOUR BUSINESS

This is an example of a bad receipt

This receipt is not acceptable:

- it does not identify the business
- it does not itemise purchase items.

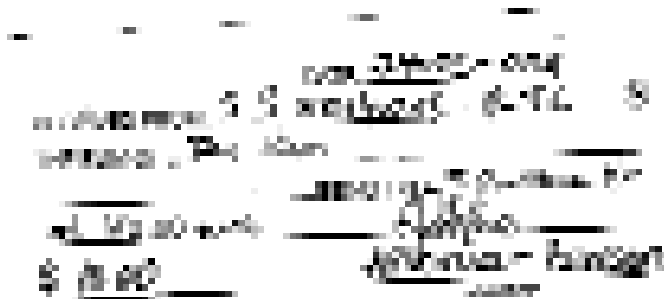


What if you can't get a cash register print out receipt?

If you can't get a cash register print out receipt you should write the details of the purchase on a piece of paper and get the seller to sign it. The receipt must still include all of the details on the checklist.

Incomplete hand written receipt

This is example of a hand written receipt should include details about the name and address of the business selling the products.

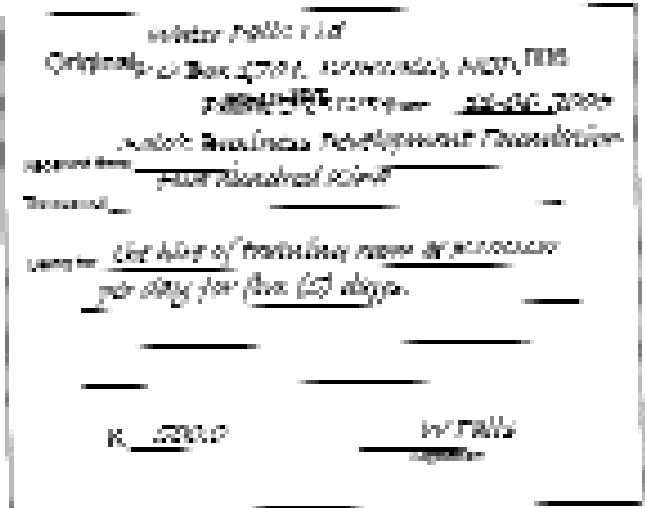


Incomplete hand written receipt

This hand written receipt is better because it has details of the business hiring the equipment, but needs to provide details about the individual cost of each item cost that was hired.



This is a good example of a hand written receipt



These three examples are receipts from a receipt book. If you don't have a receipt book it is acceptable to write out the receipt yourself as long as it includes all of the necessary details.

This is a good example of a hand written receipt that has all of the necessary details

| | |
|-----------------------------|-------------------------------|
| Name of Seller: | Marin Milotaru |
| Address of Seller: | Laloi Settlement |
| Name of Market: | Milaso Market |
| Purchased By: | Kwaku Mui |
| Date: | 12 th October 2008 |
| Mangoes x 10 @ K1.00 | = K10.00 |
| Pawpaw x 10 @ K2.00 | = K20.00 |
| Apples x 6 bundles @ 50¢ | = K3.00 |
| Bananas x 4 bunches @ K3.50 | = K14.00 |
| Pitpit x 5 bundles @ K2.00 | = K10.00 |
| Total | K57.00 |
| Signed by seller | <i>[Signature]</i> |

This is an example of a hand written receipt that is not acceptable

This is not acceptable because it is missing:

- the name and contact details of the business selling the product
- the name of the person who purchased the product
- the name of the market where the product was purchased
- details about how much of each item was purchased.

From Marketing (15m Budget)
12/10/08

| | |
|---------|---------|
| Bananas | K 15.00 |
| Apples | K 15.00 |
| Oranges | K 15.00 |
| | K 15.00 |
| | K 15.00 |

[Signature]

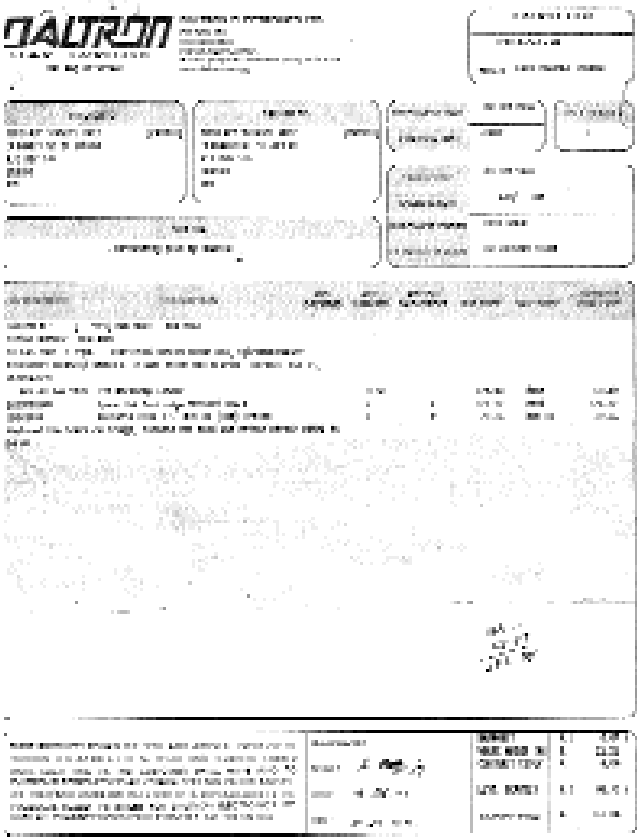
Invoices

An invoice is a request for payment from a business for a product or service you have purchased.

What is an acceptable invoice?

| Receipt checklist | |
|--|---|
| The receipt is readable | ✓ |
| The receipt identifies the date of the transaction | ✓ |
| The receipt identifies the business selling the product or service | ✓ |
| The receipt itemises all purchase items and the amount for each | ✓ |
| The receipt records the total amount spent | ✓ |

This is an example of a good invoice



This is also a good invoice

Wimble & Co. Ltd

WIMBLE SERVICE - PORT HARBOR
 7 COLONIAL ST. WIMBORNE, HANTS
 HANTS. SP15 2EJH
 TEL: 01256 41411 FAX: 01256 41412

125, 126 & 127
 125-126, 127, 128, 129, 130, 131
 132, 133, 134, 135, 136, 137, 138, 139, 140

IBV
 1256 41411
 1256 41412 (FAX)

WIMBLE SERVICE - PORT HARBOR

THE INVOICE NO. 1001
 DATE 15/01/01
 FROM 1001
 TO

| Contract / Card Ref | | Description | Quantity | Unit Price |
|---------------------|------|-------------|----------|------------|
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |
| 1001 | 1001 | 1001 | 1001 | 1001 |



Authorised Signature: *[Handwritten Signature]*
 Name: *[Handwritten Name]*
 Designation: *[Handwritten Title]*

1001
 1001
 1001
 1001

2



Record income and expenses

As you receive income or spend money enter information into the format on the next page as follows:

1. list the income or expense item
2. record the receipt number
3. record the actual quantity received or spent
4. record the actual unit price of each item
5. total the amount for each income or expense item and record it in the actual column
6. record the budgeted amount for each item
7. subtract the actual figure from budgeted figure and record it in the far right hand column.

| Record of income and expenses |
|-------------------------------|
| Training provider: |
| Title of training course: |
| Training course duration: |
| Number of participants: |

| Income | | | | | | |
|---------------------|-------------|-----------------|-------------------|---------------|-----------------|--------------|
| Income item | Receipt no. | Actual quantity | Actual unit price | Actual income | Budgeted income | Difference |
| Trainee fees | 1-16 | 16 | K2 | K32 | K30 | K2 |
| Sale of jam | 1-66 | 66 | K5 | K330 | K350 | - K30 |
| Total income | | | | K362 | K380 | - K18 |

| Expenses | | | | | | |
|------------------------------------|-------------|-----------------|-------------------|-------------|-------------|-------------|
| Expense item | Receipt no. | Actual quantity | Actual unit price | Actual | Budgeted | Difference |
| 1. Marketing | | | | | | |
| A4 flyer | 26 | 20 | 50t | K10 | K10 | |
| | | | Total | K10 | K10 | K0 |
| 2. Professional staff | | | | | | |
| Trainer | 13 | 1 | Set fee | K30 | K30 | |
| | | | Total | K30 | K30 | K0 |
| 3. Transport and travelling | | | | | | |
| Bus fare for trainer | 67 | 2 | K5 | K10 | Nil | |
| | | | Total | K10 | Nil | -K10 |
| 4. Raw materials | | | | | | |
| Mangos | 3 | 15kg | K4/kg | K60 | K75 | |
| Sugar | 3 | 10 pkts | K6 | K60 | K50 | |
| Lemons | 3 | 30 | 50t | K15 | K15 | |
| | | | Total | K135 | K140 | K5 |
| 5. Equipment | | | | | | |
| Wood stove | | 15 | Nil | Nil | Nil | |
| Pots | 6 | 90 | Nil | K20 | Nil | |
| Jars with lids | 7 | 15 | Nil | K20 | Nil | |
| Cutting boards | | 15 | Nil | Nil | Nil | |
| Measuring cups | 7 | | Nil | K5 | Nil | |
| | | | Total | K45 | Nil | -K45 |
| 6. Tools | | | | | | |
| Wooden spoons | | 15 | Nil | Nil | Nil | |
| Tongs | 7 | 5 | Nil | K10 | Nil | |
| Knives | | 15 | Nil | Nil | Nil | |
| | | | Total | K10 | Nil | -K10 |

| Expense item | Receipt no. | Actual quantity | Actual unit price | Actual | Budgeted | Difference |
|------------------------------|-------------|-----------------|-------------------|-------------|-------------|-------------|
| 7. Learning materials | | | | | | |
| Workbooks | | 15 books | Nil | Nil | Nil | |
| | | | Total | Nil | Nil | K0 |
| | | | | | | |
| 8. Training venue | | | | | | |
| Venue hire | | | | | | |
| Firewood | 34 | 15 bundles | K5 | K80 | K75 | |
| Electricity | 56 | 10 units | K1 | K10 | K10 | |
| | | | Total | K90 | K85 | -K5 |
| | | | | | | |
| 9. Refreshments | | | | | | |
| Morning tea | 12 | | Set catering cost | K40 | K30 | |
| | | | Total | K40 | K30 | -K10 |
| | | | | | | |
| Total expenses | | | | K370 | K295 | -K75 |
| Profit or loss | | | | -K8 | K85 | -K93 |



Compare actual and budgeted amounts

This training course in the previous example budgeted to make a profit of K85, but made a loss of K8.

Why did this happen?

1. income was less than budgeted
 - jam sales were lower than budget.
2. expenses were more than expected
 - the trainer needed PMV fare
 - some equipment (pots, jam jars) and tools (tongs) had to be purchased, rather than borrowed
 - firewood for wood ovens was more than budgeted
 - morning tea was more than budgeted.

How can I prevent this?

To ensure that costs don't exceed budgeted expenses:

- don't buy things you haven't budgeted for
- get written quotations for items you need to purchase so that you know in advance exactly what you will have to pay for items.

What is a quotation?

A quotation is a document provided by a business that lists the price that will be charged for each expense item. A quotation can be obtained in advance so that when you purchase these items you know exactly what you will pay.

How do I provide acquittals?

Acquittal is the submission of all the necessary documentation with details of income and expenses.

Why is acquittal necessary?

Acquittal is necessary if you have been given money to run a training course. The organisation that has given you the funds needs to account for how their money was spent.

What do I need to do?

For acquittal you must submit:

1. original receipts and invoices as evidence of income and expenses
2. record of all income and expense items with invoice numbers.

1. Original receipts and invoices

Original receipts and invoices should be attached to A4 size paper. It is easier to store receipts and invoices this way.

These following receipts are for expenses incurred by the training provider.

DATE: 27-05-04
 RECEIVED FROM S.S Mothers RTC 10
 THE SUM OF Twenty Kina only
 BEING FOR Bush fibre
\$K10.00 Rose Landimi
SIGNATURE

DATE: 27-05-04
 RECEIVED FROM S.S Mothers RTC 11
 THE SUM OF Twenty Five Kina only
 BEING FOR Benjin (Palm Leave)
\$K25.00 Beromy-Noel
SIGNATURE

DATE: 27-05-04
 RECEIVED FROM S.S Mothers RTC 12
 THE SUM OF Thirty Five Kina only
 BEING FOR Sap (Palm Leave)
\$K35.00 Sitta - lowrance
SIGNATURE

DATE: 27-05-04
 RECEIVED FROM S.S Mothers RTC 13
 THE SUM OF THIRTY KINA
 BEING FOR SAP PALM LEAVE
\$K 30.00 Sakera
SIGNATURE

DATE: 28-05-04
 RECEIVED FROM S.S MOTHER RTC 14
 THE SUM OF ONE HUNDRED KINA
 BEING FOR PALM LEAVE
\$ 100.00 MARGAS
SIGNATURE

| Lachloginpa Trust Fund | | | |
|------------------------|------|----|------|
| Received by | date | to | date |
| for | date | by | date |
| Received by | date | to | date |
| for | date | by | date |

Training Unit Acquired
for Unit No. [unclear] of [unclear]
Number of Units Available [unclear] 22
The Unit is [unclear] for [unclear]
[unclear] [unclear]
[unclear] [unclear]
[unclear] [unclear]

Approved by [unclear]
for [unclear] [unclear] [unclear] 23
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

Approved by [unclear]
for [unclear] [unclear] [unclear] 24
The Unit is [unclear] for [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

Approved by [unclear]
for [unclear] [unclear] [unclear] 25
The Unit is [unclear] for [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

Approved by [unclear]
for [unclear] [unclear] [unclear] 26
The Unit is [unclear] for [unclear]
[unclear] [unclear] [unclear] [unclear]
[unclear] [unclear] [unclear] [unclear]

| [unclear] | | | |
|-----------|-----------|-----------|-----------|
| [unclear] | [unclear] | [unclear] | [unclear] |
| [unclear] | [unclear] | [unclear] | [unclear] |
| [unclear] | [unclear] | [unclear] | [unclear] |
| [unclear] | [unclear] | [unclear] | [unclear] |

The following is evidence of income. Trainees have paid K10 to attend the training course. There is an example of:

- a letter to the Trust Fund
- a bank deposit slip showing that money collected from trainees was deposited into the bank
- a signed list of trainees who attended the training course.

Saving Start and Start Start Course
CCS Officers

Training transfer was advanced the notice on the 15th of July to pay their Saving course fee.

- We have notices for notices and they have agreed to pay the K10 or more. You had all the amount they have paid only K10 or proportion for the Saving course and during the course time they will pay the outstanding amount - to complete the Saving course fee.

So have the amount K10 or more deposited on the 22nd of July.

Attachment with the receipt list of their names

TRAINING BUDGET

| Sl. No. | Activity | Duration | Frequency | Cost | Total |
|---------|----------|----------|-----------|------|-------|
| 1 | Activity | Duration | Frequency | Cost | Total |
| 2 | Activity | Duration | Frequency | Cost | Total |
| 3 | Activity | Duration | Frequency | Cost | Total |
| 4 | Activity | Duration | Frequency | Cost | Total |
| 5 | Activity | Duration | Frequency | Cost | Total |
| 6 | Activity | Duration | Frequency | Cost | Total |
| 7 | Activity | Duration | Frequency | Cost | Total |
| 8 | Activity | Duration | Frequency | Cost | Total |
| 9 | Activity | Duration | Frequency | Cost | Total |
| 10 | Activity | Duration | Frequency | Cost | Total |
| 11 | Activity | Duration | Frequency | Cost | Total |
| 12 | Activity | Duration | Frequency | Cost | Total |
| 13 | Activity | Duration | Frequency | Cost | Total |
| 14 | Activity | Duration | Frequency | Cost | Total |
| 15 | Activity | Duration | Frequency | Cost | Total |
| 16 | Activity | Duration | Frequency | Cost | Total |
| 17 | Activity | Duration | Frequency | Cost | Total |
| 18 | Activity | Duration | Frequency | Cost | Total |
| 19 | Activity | Duration | Frequency | Cost | Total |
| 20 | Activity | Duration | Frequency | Cost | Total |
| 21 | | | | | |
| 22 | | | | | |
| 23 | | | | | |
| 24 | | | | | |
| 25 | | | | | |

2. Record of all income and expense items with invoice numbers

| Record of income and expenses | | | | | | |
|--------------------------------------|--|--|--|--|--|--|
| Training provider: | | | | | | |
| Title of training course: Jam making | | | | | | |
| Training course duration: 3 days | | | | | | |
| Number of participants: 20 | | | | | | |

| Income | | | | | | |
|--------------------------------|-------------|-----------------|-------------------|---------------|-----------------|------------|
| Income item | Receipt no. | Actual quantity | Actual unit price | Actual income | Budgeted income | Difference |
| Trainee contribution | 1-20 | 20 | K8 | K160 | K160 | K0 |
| Training provider contribution | | | | K320 | K320 | |
| Funding organisation | | | | K1115 | K1115 | |
| | | | | | | |
| Total income | | | | K1595 | K1595 | K0 |

| Expenses | | | | | | |
|----------------------------------|-------------|-----------------|-------------------|---------------|-----------------|------------|
| Expense item | Receipt no. | Actual quantity | Actual unit price | Actual income | Budgeted income | Difference |
| 1. Marketing | | | | | | |
| A4 flyer | 26 | 50 | K1 | K50 | K50 | |
| | | | Total | K50 | K50 | K0 |
| 2. Professional staff | | | | | | |
| 5 trainers | 78 | 3 days x 5 | K30/day | K450 | K450 | |
| Administration | 74 | 1 | K160 | K160 | K160 | |
| | | | Total | K610 | K610 | K0 |
| 3. Transport & Travel | | | | | | |
| Truck hire | 75 | 1 | K130 | K130 | K130 | |
| Fuel | 87756 | 1 | K20 | K20 | K20 | |
| Fuel | 484135 | 1 | K20 | K20 | K20 | |

| Expenses | | | | | | |
|---------------------------------|-------------|-----------------|-------------------|---------------|-----------------|------------|
| Expense item | Receipt no. | Actual quantity | Actual unit price | Actual income | Budgeted income | Difference |
| Fuel | 7705929 | 1 | K10 | K10 | K10 | |
| Fuel | 221473 | 1 | K15 | K15 | K15 | |
| | | | Total | K195 | K195 | K0 |
| 4. Raw Materials | | | | | | |
| Sugar and fruit | 1657383 | 1 | K216 | K216 | K216 | |
| | | | Total | K216 | K216 | K0 |
| 5. Equipment | | | | | | |
| Hire of cooking utensils | 74 | 1 | K55 | K55 | K55 | |
| Stationery | 10452 | 1 | K58 | K58 | K58 | |
| Gas bottle refill | 275469 | 1 | K26 | K26 | K26 | |
| | | | Total | K139 | K139 | K0 |
| 6. Tools | | | | | | |
| Wooden spoons | 63 | 15 | K3 | K45 | K45 | |
| Tongs | 7 | 5 | K4 | K20 | K20 | |
| Knives | 27 | 15 | K8 | K120 | K120 | |
| | | | Total | K185 | K185 | K0 |
| 7. Learning materials | | | | | | |
| Workbooks | | 15 books | Nil | Nil | Nil | |
| | | | Total | Nil | Nil | K0 |
| 8. Training venue | | | | | | |
| Venue hire | 77 | 3 days | K20 | K60 | K60 | |
| | | | Total | K60 | K60 | K0 |
| 9. Refreshments | | | | | | |
| Morning tea lunch, tea & coffee | 12 | | set catering cost | K140 | K140 | |
| | | | Total | K140 | K140 | K0 |
| Total expenses | | | | K1595 | K1595 | K0 |
| Profit or loss | | | | K0 | K0 | K0 |

Conclusion

A training budget is an essential step when planning a training course. Without a budget it is difficult to control income and expenses and ensure that costs of training are covered. If you are establishing yourself as a training provider you need to make a profit as this is the only way to run a business.

If you are applying for funds from an external source to run your training course you will need a training budget to show how you are going to spend the money.

A budget will also help you to monitor your finances and make informed decisions about what you spend money on. Accurate book keeping is important if you want to keep track of your income and expenses. You need to keep receipts and invoices of all income and expenses.

This paperwork will also be needed for acquittal if you have received funds for a funding organisation.



This module is a guide to help you to prepare and monitor a training budget.

Every trainer has their own way of training. Use the formats as a guide and adapt them. We hope this book will give you some ideas.

Assessment checklist

The following is an assessment checklist for preparing and monitoring a training budget. For each criteria place either tick or a cross.

Criteria

Income

- Sources of income are listed in the budget format
- The value of each income item is calculated
- Total income is calculated

Expenses

- All expense items are listed under the appropriate headings in the budget format
- Quantities for each expense item specified
- Unit cost for each expense item specified
- Total cost for each expense item is calculated
- Total expenses is calculated

Profit/ loss

- Expenses are taken from income to calculate profit or loss
- Budget is adjusted if needed to make sure expenses are covered

Book keeping

- Originals of all receipts, invoices and quotations are kept.
- All receipts, invoices and quotations contain all of the necessary information
- All income and expenses are recorded in the appropriate format including the actual quantity purchased or sold and the unit cost
- Receipt numbers are recorded for each income and expenses item
- Actual amounts for each income and expense item are calculated and compared with budgeted amounts

Acquittals

All original receipts and invoices are submitted in the required format

The record of all income and expenses including receipt numbers is submitted

