

Financial training For non financial staff



The financial training specialists

Check the detail (Budgeting, Profit)

always enjoy planning next business year: that's the exciting side of budgeting. Some other parts of budget management are boring, but necessary.

þ This week we're looking at one of the boring bits &

It's the tedious task of checking all the costs allocated to our budget. There will be mistakes in this process, and it's up to us as budgetholders to identify them - or suffer the consequences of our costs being too high.

So how do we check the detail?

Every finance system offers the ability, somehow, to drill down into the detailed individual transactions making up our total costs and income. You may need to find out how to do this.

Once we've accessed the detailed transactions we need to interrogate them. Two questions may help:

- 1 Are they all my costs (and income)?
- 2 Have all my costs (and income) been included?

As employees move between projects or teams their costs don't always follow them immediately. So we must check that all our salary costs (and cars; phones; etc) all belong to people actually working for us.

Do the supplier costs all belong to us? Have they charged the price they quoted, and was everything actually delivered? Are we due any refunds?

Is our income complete, or are any invoices missing?

If we find any mistakes we must let Finance know, so that we only get charged for our costs.

So checking the detail may be dull, but it's essential if we want to hit our budget.