

The association budget

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Overview

The budget is a planning tool. The entire executive committee is tasked with drawing up an annual budget. This is produced on the basis of the previous-year's figures provided by the treasurer, as well as planned activities. Depending on the provisions in the articles of association, the budget must be approved by the general meeting or presented to it for information purposes.

If the general meeting is competent to approve the budget, it must be noted that the executive committee may not have an approved budget between the start of the association year and the general meeting. The options below enable the executive committee to retain its power to act:

- The financial regulations specify which expenses the executive committee may decide on during this time (e.g. current expenses including HR costs, rent, etc.)
- The association holds a separate general meeting at the end of the prior year to rule on the following year's budget.
- The budget for the following year is decided on at the ordinary general meeting. If it later transpires that extra budget items are needed or individual items must be corrected, this can be decided on at the current year's general meeting.

The budget forecasts income and expenses. Whether a separate account and thus a separate budget figure is reported for individual items depends on how the amounts compare with the overall budget.

Possible income in association budgets

Membership subscriptions	Possibly subdivided into active and passive membership subscriptions.
Donations	If only a few donations are received or expected and these primarily come from rounding up membership subscriptions, these may be documented under membership subscriptions.
Contributions from benefactors	Expected contributions from benefactors if there is a benefactor category.
Sponsors	If the association expects to receive sponsor funds.
Interest income	Gross interest.
Income from events	If income is generated from events organised by the association (entry, membership fees, etc.) If several events are carried out, it may make sense to have several income accounts.

Other income	Depending on the purpose of the association: proceeds from sales, street campaigns, support from municipality/city, etc.
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Possible expenses in association budgets

Office material, postage, telephone	Depending on the amount of the items, it is recommended to budget an overall amount or subdivide this into individual amounts.
Public relations	Printing and sending the annual report, newsletter, etc., website costs.
Expenses for events	Proceed in the same way as for "income for events". If the association only holds one event (e.g. general meeting), the item is described accordingly.
Out-of-pocket expenses	Reimbursement of extra expenses incurred by members of the executive committee or other persons with corresponding expenses.
Remuneration	If remuneration is paid, it must be checked whether there is an obligation to pay OASI and take out accident insurance. These incidental wage costs must also be budgeted for. Note: in the case of remuneration, the association must provide a wage statement.
General expenses extra	Various outlays, e.g. liability insurance, account fees, bank and postal charges, etc.
Association-related expenses	Depending on the objects of the association: space/room rental charges, equipment, material, etc.
Other expenses	Other amounts must be budgeted for depending on the situation: <ul style="list-style-type: none"> - Depreciation on movables, property, vehicles, etc. - Interest expenses, if there is a loan. - Taxes, if profits or earnings are taxable.

If the association plans special events, celebrations, activities or purchases, these must also be listed in the budget alongside expected special income, such as proceeds from the sale of association property (material, vehicles, etc.)

Sample budget for an association

Account number	Account description	Hours worked:	Income
3200	Membership subscriptions		7,800
3210	Donations		1,200
3220	Contributions from benefactors		500
3250	Sponsors		1,500
3400	Income from events		4,500
3450	Other income		250
3600	Interest income		120
5000	Remuneration	2,500	
5700	Social insurance payments (OASI, accident, possibly PF)	350	
6110	Office material, postage, telephone	1,000	
6120	Out-of-pocket expenses	1,800	
6130	General extra expenses	500	
6400	Expenses for events	5,200	
6500	Association-related expenses	750	
6600	Public relations, homepage	1,500	
6700	Other operational expenses, insurance	450	
	Total	14,050	15,870
	2017 profit	1,820	