

Example of Finances

The following example has been drafted to help applicants structure the finance section of their application. It is intended to be a general guide and not a prescriptive format, and so may not be relevant to all projects – for example, not all projects will include multiple phases.

Example

The total cost for our new build and refurbishment project is £1,137,200. The project is split into three phases. Phase 1 is the single storey extension to the centre. Phase 2 is the refurbishment of the existing centre site. Phase 3 is the exterior and garden landscaping.

a) Breakdown of Costs (including VAT)

Phase 1	Cost (£)	VAT (£)	Total (£)
Site preparation	30,000	6,000	36,000
Build costs	450,000	90,000	540,000
Fixtures and fittings	40,000	8,000	48,000
Professional fees	110,000	0	110,000
Phase 1 Total			734,000
Phase 2			
Reconfiguration of rooms	170,000	34,000	204,000
Fixtures and fittings	46,000	9,200	55,200
Professional fees	60,000	0	60,000
Phase 2 Total			319,200
Phase 3			
Landscaping	70,000	14,000	84,000
Phase 3 Total			84,000
Total Capital Cost			1,137,200

The breakdown of costs should list the cost of each element or stage, with VAT and professional fees indicated separately

For phased projects, the cost of each phase must be given, as well as the total project cost

b) Fundraising Summary

Total project cost = £1,137,200

Total secured = £973,000

Shortfall = £164,200

We are committing £500,000 towards the capital costs, leaving us with a total capital fundraising target of £637,200. Our funds raised/committed so far are detailed in the table below:

		Phase 1 (£)	Phase 2 (£)	Phase 3 (£)
Capital funds raised	Reserves	500,000		
	Foundation A	200,000		
	Foundation B		168,000	
	Public Fundraising	34,000		11,000
Total raised per phase (£)		734,000	168,000	11,000
Funds available for any phase (£)				60,000
Total Secured (£)				973,000
Upcoming funding decisions: £40,000 – Foundation C, expected May 2019				

For phased projects, it is helpful to present the funds raised towards each phase. If funds are not restricted to a particular phase, please include a line to indicate this.

c) Running and Maintenance Costs

This section is likely to differ considerably between projects. You should state whether or not your running and maintenance costs are expected to change. Increases in running and maintenance costs should be stated with a summary of how these will be met. You might be able to take these figures from your Business Plan.

The single storey extension will increase our space by one additional activity room and two smaller meeting rooms. To cater for this increase we will employ an additional two full-time and one part-time staff members, costing £60,000 per year. There will also be a small increase in overhead costs due to the extension, approximately £5,000 per year. Additional maintenance costs for the new garden are expected to be around £5,000 per year.

In total, the increase in running costs is estimated to be £70,000 per year. £50,000 of this will be met through additional fee income generated by an increase in service users (fees paid either privately or through local authority funds). We will fundraise to provide the remaining £20,000 per year.

d) Competitive Tender

Both the refurbishment/extension and landscaping contracts were put out to competitive tender, and we received three written quotations. Construction Company Ltd and Landscaping Company were chosen as the preferred contactors.

It is expected that the projects are put out to competitive tender

e) Breakdown of costs per room

Based on the cost per square metre, we have estimated the following approximate costs per room/area.

Reception/foyer area – £168,000

Activity room – £50,000

Two small meeting rooms – £45,000

Fixtures and fittings – £35,000

Windows and doors – £48,000

It is helpful to have a list of discrete areas that our grant might be allocated towards