


# Budgeting

Budget is a detailed and financial plan for the future.

## Budgeting

### Stages of budgeting

Setting organisational objectives 

Key factor factors to be considered e.g. sales 

Prepare sales budget 

Prepare subsidiary budgets

Co-ordinate these budgets 

Prepare master budget 


### Ways of setting budget

Incremental budgeting 

Zero budgeting 


### Purpose

Aids planning 


helps in monitoring performance 

Aids co-ordination 

helps setting targets

helps effective allocation of resources 

### It involves

co-ordination between departments 

Staff involvement 

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