

# Incremental Budget Document - FY 2024/25

## 1. Introduction

This document outlines the proposed incremental budget for the fiscal year 2024/2025, detailing changes from the previous year's approved budget and justifications for increases or decreases in allocations.

## 2. Summary Table

Budget Item	Previous Budget (2023/24)	Increment/Decrement	Proposed Budget (2024/25)	Remarks
Personnel Costs	\$250,000	+ \$15,000	\$265,000	Annual salary adjustments
Office Supplies	\$20,000	+ \$2,000	\$22,000	Increased operations
Equipment Maintenance	\$18,000	- \$3,000	\$15,000	Decreased maintenance needs
Training & Development	\$12,000	+ \$5,000	\$17,000	New training programs planned
Other Expenses	\$10,000	0	\$10,000	No change
<b>Total</b>	<b>\$310,000</b>	<b>+ \$19,000</b>	<b>\$329,000</b>	

## 3. Justification for Changes

- Personnel Costs:** Reflects mandatory salary increments and new hires.
- Office Supplies:** Increased consumption due to expanded operations and workforce.
- Equipment Maintenance:** Reduced need due to timely replacement of old equipment.
- Training & Development:** Planned investment in staff skills for upcoming projects.

## 4. Important Notes

- Incremental budgeting focuses on justifying changes from the previous year rather than reassessing all expenses.
- This method is simple but may perpetuate inefficiencies from prior budgets.
- Best suited for stable organizations with predictable costs.
- Annual review concentrates on increments or reductions only.