

money

Including budgets, accountability, responsibility, management, sponsorship...

• Can the event be produced without leaving you bankrupt?

As soon as the concept for your event starts to grow, do a budget.

How much money is required to produce the event? Can that amount be sourced through funding bodies, sponsors and box office?

You must have a realistic budget. If you are relying heavily on sponsorship and/or funding to produce your event, do not sign any contracts or start spending money until you have written confirmation that your application for support has been successful. There may be a few exceptions to this such as paying a deposit to secure a venue.

Be prepared to reassess the viability of producing your event if you don't receive all the financial support you require. Do not overestimate audience numbers; estimated box office income should reflect a realistic number of people expected through the door.

Be very clear about door deals i.e. don't start splitting the door money before you are sure about all costs.

• Income

Income can be broadly split into three components:

- Sourced income including Arts funding bodies, Community grants, Philanthropics, Corporate support. A general rule of thumb is the bigger the support required, the longer the timeframe needed. Ensure your applications for support talk about the event clearly and concisely, are well presented and supported with good documentation.
- Project generated income including box office, bar sales, food stalls, merchandise etc.
- Producer contribution which means your own money.



When estimating the box office or ticket sales, be realistic and err on the side of the conservative.

Budgeting

Prepare the budget in consultation with all key members of the team.

Establish a process for all bookkeeping and banking, set up a bank account if necessary. Set up a petty cash float.

Whether you regard yourself as a 'bean counter' or not, one rule of thumb to always keep in mind is to collect and keep written receipts for everything. This will make your life easier in the long run and it will help ensure that money isn't spent out of your pocket! Keeping written records is essential if you want a funding body or sponsor to support you in the future.

You want to be able to produce an accurate report of what money came in and what it was spent on during the course of the production.

Be realistic about the costs involved and potential income i.e. don't budget 850 people through the door if you are more likely to get 100.

How much money will you need up front?

Deposit on venue hire; payment for promotional material to be printed; equipment hire; bar stock [organise sale or return]; floats
(see *sample float p. 25*).

Sponsorship

If approaching local business for sponsorship, create a sponsorship package or document which clearly outlines the event, the benefits they will receive in return for their support and why they should want to be associated with your event.

Some examples of benefits for the sponsor include their logo appearing on posters and other collateral, signage at the events, free tickets, a speaking opportunity etc. Think carefully about things like the value of naming rights and how much profile you can offer sponsors.

Employees and contractors

If you are able to employ people [i.e. through an organisation] this provides protection and cover for those people whilst on the job.

Individuals and groups who are ABN registered can invoice for payment.

Artists who are not ABN registered or being employed need to complete the Statement by a Supplier ATO Form or lose half their earnings through withholding tax (see *Statement by a supplier form p. 29*).



The sound of one hand clapping.

How many people are going to show up?

Check with others who have produced or are familiar with similar activity.