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Budgeting, invoicing & record-keeping

Simple money systems you will actually use — a monthly budget, clear invoices and honest records.

01 You do not need to be an accountant

You only need a simple system that works — and that you actually use.

Good record-keeping protects your centre, helps you make smart decisions, and is essential when applying for funding or facing an inspection.

02 Part 1: Your monthly budget

A budget is just a plan: How much do I expect to bring in, and how much do I expect to spend?

Income (money in)

Common sources:

- Monthly fees from parents
- Government subsidies (if registered)

- Grants or donor funding
- Fundraising events
- Sponsorships

Write down your expected income for the month.

Expenses (money out)

Common expenses:

- Salaries (usually your biggest cost)
- Rent or bond
- Food and groceries
- Electricity, water, gas
- Cleaning materials and consumables
- Learning materials and toys
- Transport
- Insurance
- Repairs and maintenance
- Bank charges

Write down your expected expenses for the month.

The difference

Subtract expenses from income.

- If it is positive — you have a profit. Save some, reinvest some.
- If it is negative — you are losing money. Something has to change. Look at your fees, your costs, or your enrolment.

Do this every month. Patterns appear over time.

03 Part 2: Record-keeping

Good records show you the truth about your centre's finances. They also prove that you are running things properly.

A simple system

- One notebook or file with one page per month.
- **Write down every expense as it happens:** date, item, amount.
- **Write down every payment received:** date, child's name, amount.
- Staple or paste receipts to the page (or keep them in an envelope per month).

If you are comfortable with phones or computers, a simple spreadsheet or app works just as well. The system only matters if you use it.

What to keep — and for how long

Keep all financial records for at least five years. SARS and funders may ask for them.

- Bank statements
- Receipts and invoices
- Payroll records and payslips
- SARS submissions (EMP201, IRP5)
- Lease agreements
- Insurance documents

04 Part 3: Sending invoices

An invoice is a short, clear note telling a parent what is owed, when it is due, and how to pay.

What every invoice must include

- Your centre's name and contact number
- The child's name
- The month the fees are for
- The amount due
- The due date
- Payment method (cash, EFT, bank details)

Example

> **EXAMPLE**
>
> **Sunshine Kids ECD Centre Contact:** 072 123 4567
>
> **Child:** Aviwe Mbeki Month: August 2025 Amount due: R850 Due date: 5 August
> Payment: Cash at office OR EFT to Sunshine Kids, FNB, Acc 1234567890
>
> Thank you for your support! 🧡

Tips that make a real difference

- Send invoices on the same day every month (e.g. the last Friday).
- Keep a payment list. Tick off who has paid.
- Issue receipts (even a stamped invoice with “Paid” works).
- Send a friendly reminder a few days before the due date.

05 Part 4: When parents fall behind

This is one of the hardest parts of running a centre. Handle it with kindness, but be firm.

Step 1: A gentle reminder

A private, friendly check-in — face-to-face or by WhatsApp. Many parents are embarrassed and avoid you. Make it easy for them to talk to you.

Step 2: A payment plan

Sit down together. Agree on:

- The total amount owed.
- How much they will pay each week or month.
- The final date by which it will be paid.

Write it down. Both sign. Both keep a copy.

Step 3: A written warning

If the plan is not followed, give a written notice that fees must be settled by a specific date or the child's place at the centre may be affected.

Step 4: The hard step

If nothing changes, you may need to ask the family to leave. This is painful, but a centre that lets fees go unpaid for months will not survive — and that helps no one.

06 A note on saving

Even R200 a month, set aside in a separate account, will grow into something useful. Save for:

- Slow months (January enrolments, school holidays).
- Equipment that breaks unexpectedly.
- A long-term project (a new classroom, a playground upgrade).

> **It is not about having a lot. It is about using what you have wisely.**