

2.c) Budgetary Control

Budgets are simply exercises in calculation unless they are used. When we use a budget, we do so as part of a system of budgetary control. That is, we have some basic ideas of what we want to do, we prepare budgets to help us achieve those ideas; and then once we have done whatever it is that we wanted to do, we check to see if we kept to our budget.

Budgetary control relates to the establishment of budgets relating the responsibilities of budget holders the needs of a policy. Budgetary control also relates to the continuous comparison of actual with budgeted results: it does this to try to ensure that the objectives of that policy are achieved; or to provide a basis for the change of those objectives.