

Sources of Government Budget

- Available sources such as collecting state revenues through taxes and fees and privatizing some government institutions.
- Reducing the volume of government expenditures.
- Introducing taxes.
- Raise prices; This often includes high prices for basic and luxury goods and services.
- Resorting to internal borrowing using government bonds.

Types of Budget:

There are many different types of budgets, each one has its advantages and disadvantages:

1/ Estimated budget: This budget is based on expectations of upcoming revenues and expenditures and is used to set financial goals.

2/Fixed budget: This budget is based on fixed financial goals and does not change with fluctuating circumstances.

3/ Flexible budget: This budget allows companies to adjust expenses based on actual conditions and financial changes.

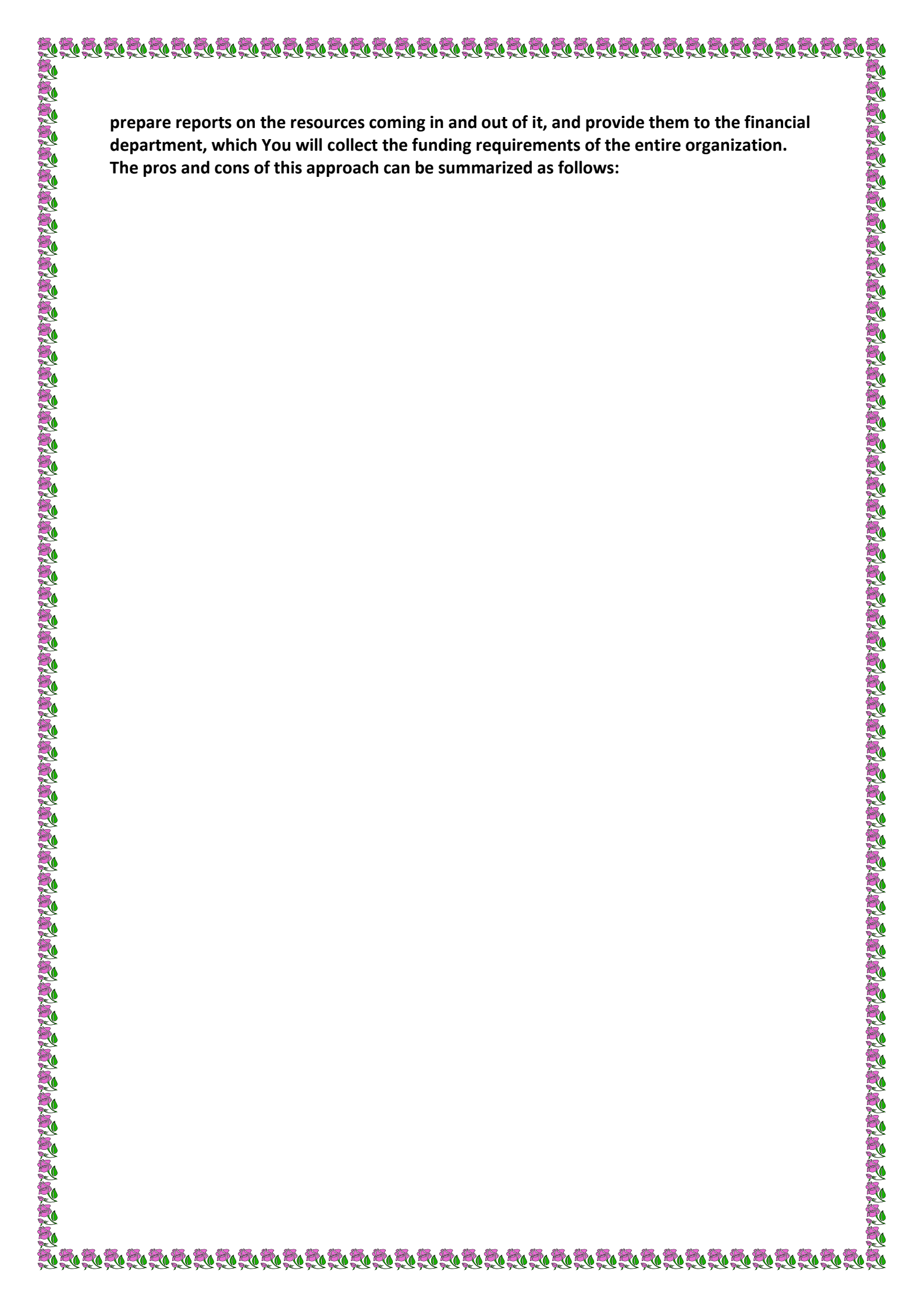
4/Actual budget: This budget is based on the actual revenues and expenditures achieved during a specific period of time.

Budget Approaches:

The methods and approaches for preparing the budget are completely dependent on the state of the institution or organization, and the budget is prepared using its methods to carry out various tasks, such as developing projects, testing and implementing programmes, increasing profit-making opportunities, making important decisions in the management process and other matters. The following are the types of budget approaches:

*** Up-down budget approach:** During this approach, the budget is determined by senior management based on certain goals that are hoped to be achieved. This plan is then distributed to executive directors and employees. This budget plan is based on dividing the entire budget into matters according to their importance. The Advantages and disadvantages of this approach can be summarized as follows:

*** The budget approach from the middle to the top:** During this approach, the budget is determined by executive managers, then sent to senior management to obtain approval. This budget plan requires each unit of the organization whose budget is to be studied to



prepare reports on the resources coming in and out of it, and provide them to the financial department, which You will collect the funding requirements of the entire organization. The pros and cons of this approach can be summarized as follows: