



# Enhancing monthly finance board reports

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- Charity Commission guidance
- Board reports
- Monthly finance packs
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- Power BI

# Who are we?



# Board and finance reports

## Why it's important to get it right

- Time
- £
- Key strategic decisions
- Monitoring
- Funders
- Accountability
- Charity Commission inquiry



# Guidance and background

Charity Commission guidance publication – CC8



CHARITY COMMISSION  
FOR ENGLAND AND WALES

Guidance

## Internal financial controls for charities

Updated 26 April 2023

# Charity Commission guidance – CC8

## 2.2 Understand your charity's financial information

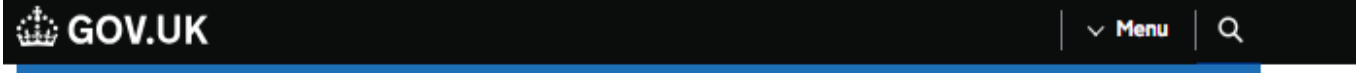
All trustees should have access to clear, accurate and up-to-date financial information, for example:

- the latest management accounts. These usually report performance against budget and may include estimates for future periods
- the reasons for any differences between your financial forecasts and the charity's current financial position
- details of cash flow and closing bank balances

Your charity's financial position and performance should be:

- a standing agenda item at trustee meetings
- sent to each trustee before the meeting

# Charity Commission guidance – CC8



[Home](#) > [Business and industry](#) > [Charities and social enterprises](#)


Guidance

## Internal financial controls for charities (CC8)


How to manage your charity's financial activity and use internal financial controls to reduce the risk of loss.

English | [Cymraeg](#)

### Documents

 [Internal financial controls for charities](#)  
Ref: CC8  
HTML

- Collection
- [Managing charity money, assets and property](#)
  - [List of Charity Commission 'CC' guidance publications](#)
  - [Charity boards and governance](#)

 [Checklist: Internal financial control for charities](#)  
ODT, 35.5 KB  
This file is in an [OpenDocument](#) format



# Board reports

## What does good look like?

- Chief Executive summary
- Operational update
- Key performance indicators and benchmarking
- Strategic initiatives
- Risk management
- **Finance reports**
- Future outlook
- Action plans



The past is like using your rear-view mirror in the car it's good to glance back and see how far you've come but if you stare too long you'll miss what's right in front of you

[all-greatquotes.com](http://all-greatquotes.com)



# Monthly finance reports

## Factors to consider

- Timeliness
- Income and expenditure
- Balance sheet
- Cashflow
- Budget
- Reserves
- Relevant
- Transparent

# Monthly finance reports

- Overwhelming information



	A	B	D	E	F	G	H	I
1	Sample Client Company Ltd							
2	Budget							
3								
4	A/C	Account Name		Jul 06	Aug 06	Sep 06	Oct 06	Nov 06
5								
6	10	Freehold Property		0.00	0.00	0.00	0.00	0
7	11	Leasehold Property		0.00	0.00	0.00	0.00	0
8	20	Plant and Machinery		0.00	0.00	0.00	0.00	0
9	21	Plant/Machinery Depreciation		0.00	0.00	0.00	0.00	0
10	30	Office Equipment		6,296.99	6,296.99	6,296.99	6,296.99	6,296
11	31	Office Equipment Depreciation		(174.90)	(349.80)	(524.70)	(699.60)	(874)
12	40	Furniture and Fixtures		45,843.92	45,843.92	45,843.92	45,843.92	45,843
13	41	Furniture/Fixture Depreciation		(434.14)	(868.28)	(1,302.42)	(1,736.56)	(2,170)
14	50	Motor Vehicles		19,973.24	19,973.24	19,973.24	19,973.24	19,973
15	51	Motor Vehicles Depreciation		(416.10)	(832.20)	(1,248.30)	(1,664.40)	(2,080)
16	60	Tools & Minor Equipment		3,512.29	3,512.29	3,512.29	3,512.29	3,512
17	61	Tools & Minor Equipment Depreciation		(97.55)	(195.10)	(292.65)	(390.20)	(487)
18	70	Website & Internet		267.26	267.26	267.26	267.26	267
19	71	Website & Internet Depreciation		(7.42)	(14.84)	(22.26)	(29.68)	(37)
20	1001	Stock		28,670.17	28,670.17	28,670.17	28,670.17	28,670
21	1002	Work in Progress		0.00	0.00	0.00	0.00	0
22	1003	Finished Goods		0.00	0.00	0.00	0.00	0
23	1100	Debtors Control Account		133,417.00	166,889.00	166,889.00	176,407.00	183,069
24	1101	Sundry Debtors		0.00	0.00	0.00	0.00	0
25	1102	Other Debtors		3,190.40	3,190.40	3,190.40	3,190.40	3,190
26	1103	Prepayments		0.00	0.00	0.00	0.00	0
27	1104	Salary Advances		0.00	0.00	0.00	0.00	0
28	1105	Intercompany		0.00	0.00	0.00	0.00	0
29	1200	Bank Account		(47,143.00)	(47,861.00)	(44,323.00)	(47,889.00)	(41,718)
30	1205	Current Account		0.00	0.00	0.00	0.00	0
31	1210	Savings Account		0.00	0.00	0.00	0.00	0

# Factors to consider

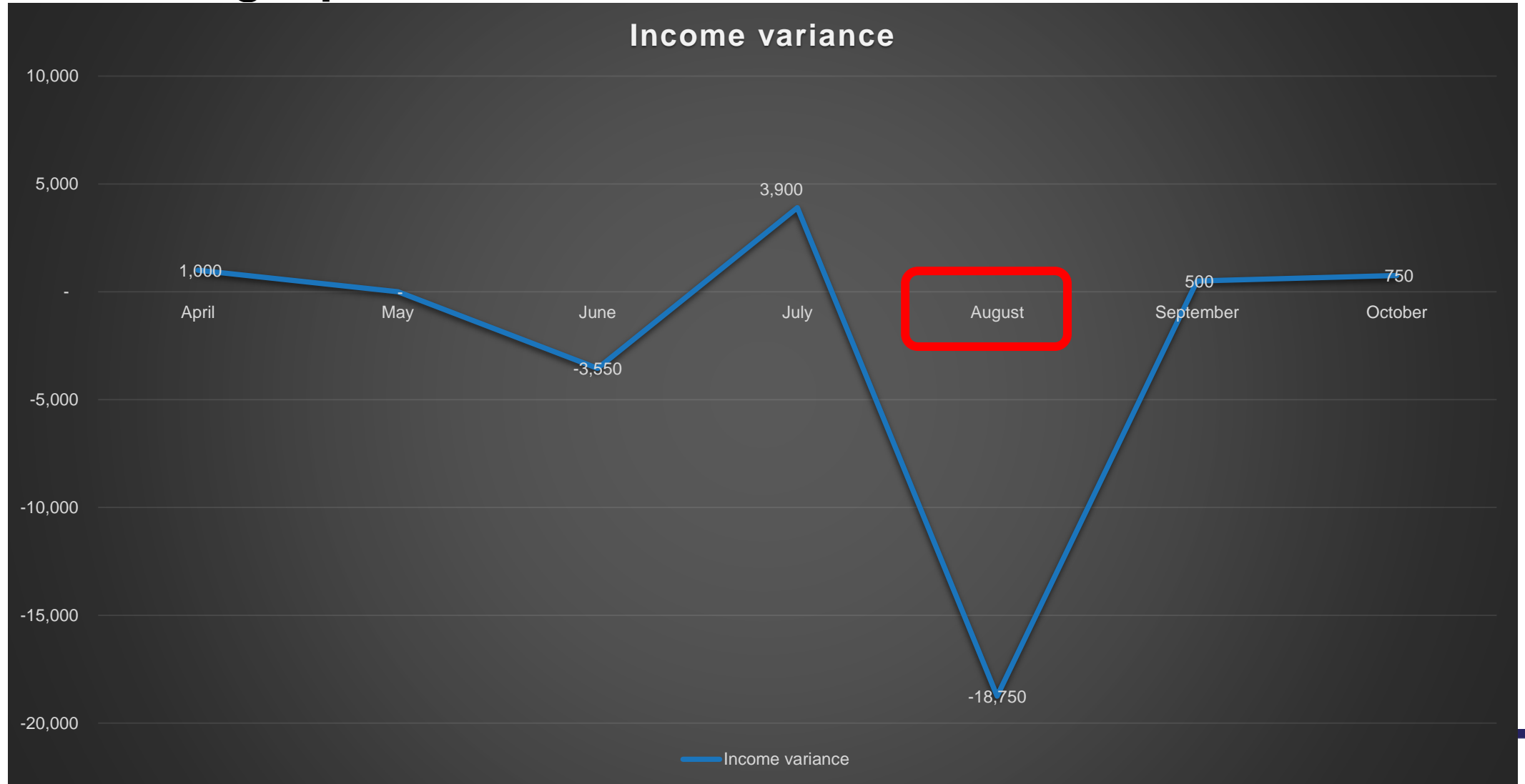
- Traffic lights
- Variances
- Charts/graphs
- Diagrams

# Factors to consider

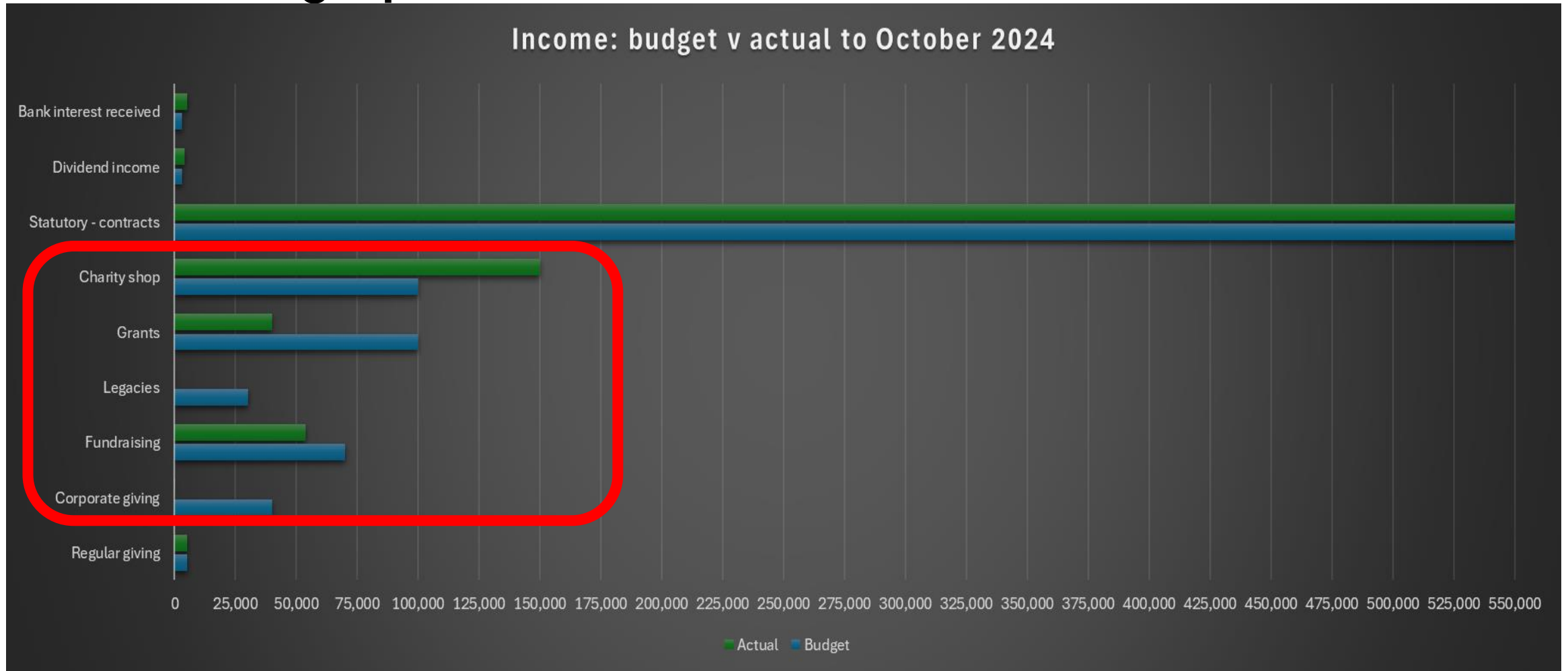
- Traffic lights

Management accounts					
YTD		31/10/2024			
	Budget	Actual	Variance	Variance	
	£	£	£		
<b>Income</b>					
Regular giving	5,000	5,000	0	→	0
Corporate giving	40,000	25	(39,975)	↓	(100)
Fundraising	70,000	53,850	(16,150)	↓	(23)
Legacies	30,000	0	(30,000)	↓	(100)
Grants	100,000	40,000	(60,000)	↓	(60)
Charity shop	100,000	150,000	50,000	↑	50
Statutory - contracts	550,000	550,000	0	→	0
Dividend income	3,000	4,000	1,000	↑	33
Bank interest received	3,100	5,000	1,900	↑	61
	901,100	807,875	(93,225)		

# Charts and graphs



# Charts and graphs



# Factors to consider

- 2 significant digits
- Remove
  - £ signs
  - %age signs
- **Ascending and descending data**
- **Vertical v horizontal**
- **Language used in explanations for variances**

# Ascending and descending

Management accounts	
YTD	31/10/2024
	Actual
Regular giving	5,000
Corporate giving	25
Fundraising	53,850
Legacies	0
Grants	40,000
Charity shop	150,000
Statutory - contracts	550,000
Dividend income	4,000
Bank interest received	5,000

Management accounts	
YTD	31/10/2024
	Actual
Statutory - contracts	550,000
Charity shop	150,000
Fundraising	53,850
Grants	40,000
Regular giving	5,000
Bank interest received	5,000
Dividend income	4,000
Corporate giving	25
Legacies	0



# Horizontal v vertical

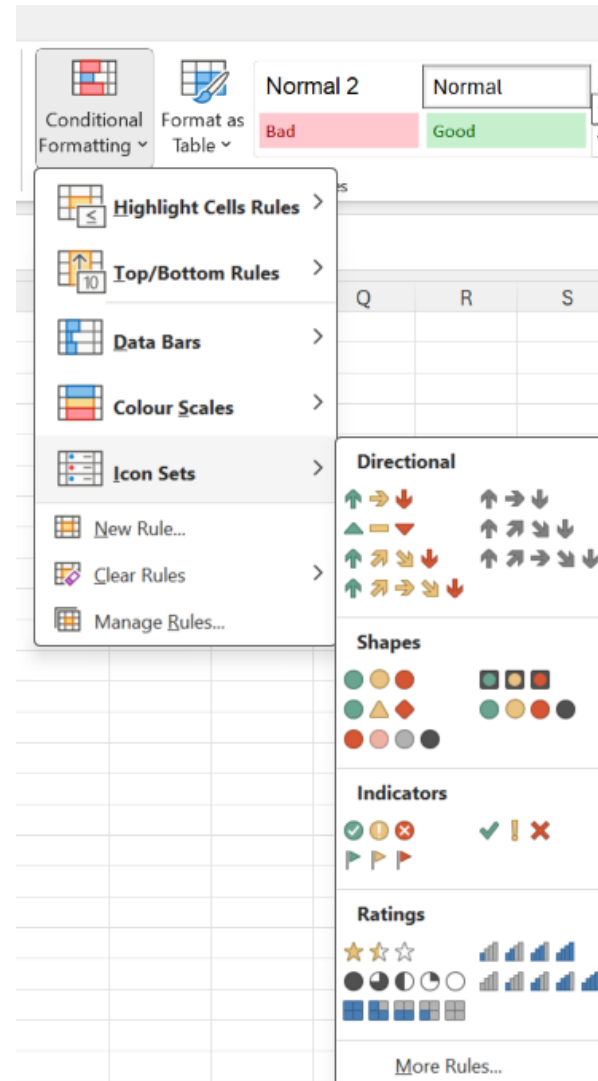
	Regular giving	Corporate giving	Fundraising	Legacies	Grants	Charity shop	Statutory - contracts	Dividend income	Bank interest received
Actual	5,000	25	53,850	0	40,000	150,000	550,000	4,000	5,000

Management accounts	
YTD	31/10/2024
	Actual
Statutory - contracts	550,000
Charity shop	150,000
Fundraising	53,850
Grants	40,000
Regular giving	5,000
Bank interest received	5,000
Dividend income	4,000
Corporate giving	25
Legacies	0

# Excel — traffic lights

## Conditional formatting – icon sets

- Using ABS means that the positive and negative aspect is driven by the variance rather than the denominator



# Excel — traffic lights

## Conditional formatting – icon sets

- Calibration
- Show ICON only

Edit Formatting Rule ? X

Select a Rule Type:

- Format all cells based on their values
- Format only cells that contain
- Format only top or bottom ranked values
- Format only values that are above or below average
- Format only unique or duplicate values
- Use a formula to determine which cells to format

Edit the Rule Description:

**Format all cells based on their values:**

Format Style: Icon Sets Reverse Icon Order

Icon Style: ↓ → ↑  Show Icon Only

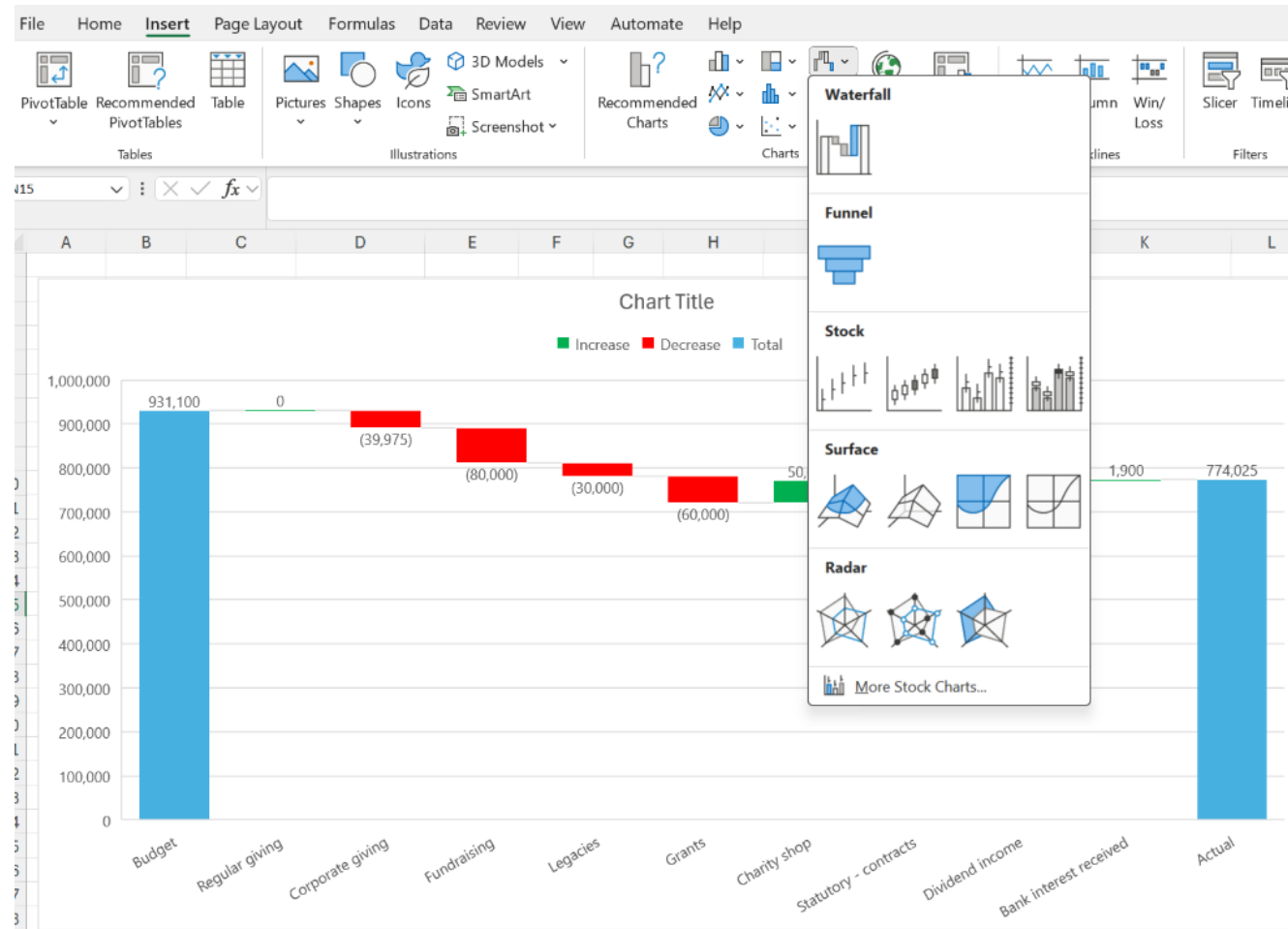
Display each icon according to these rules:

Icon	Value	Type
↑	when value is $\geq$ 10	Number
→	when $<$ 10 and $\geq$ -10	Number
↓	when $<$ 0	

OK Cancel

# Excel

## Waterfall Chart



# Excel

## Waterfall Chart

Format Data Point

Series Options

Series Options

Gap Width 50%

Show connector lines

Set as total

Series Options

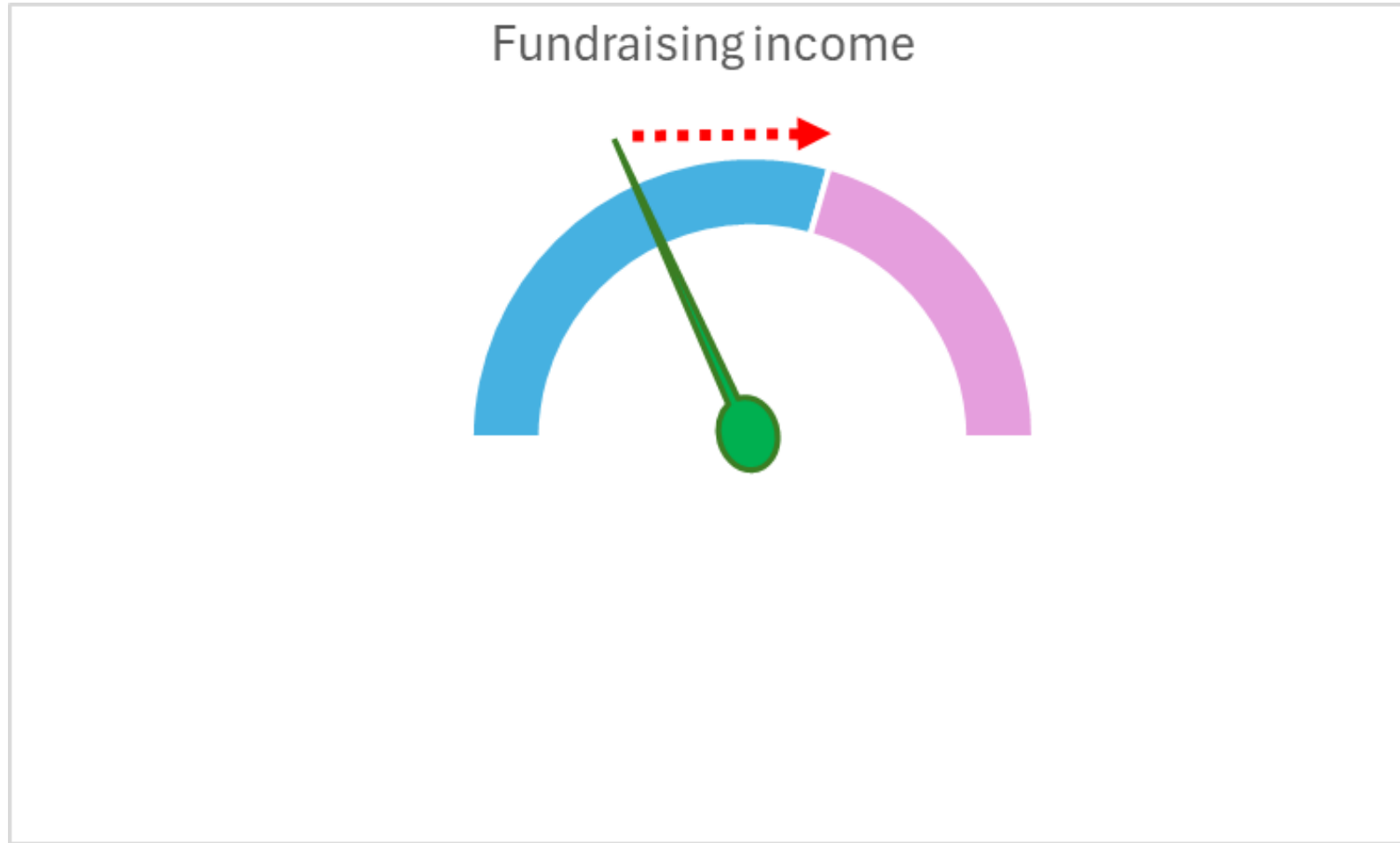
Series Options

Gap Width 0%

Show connector lines

# Excel

## Dials

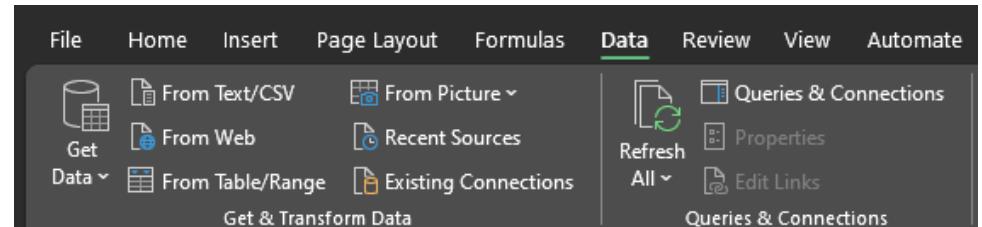


# Enhancing your Reporting

- Power Query – ‘Get Data’
  - Data transformation and preparation tool
  - Can connect to a wide variety of data sources (e.g. Excel Files/Databases/CRM systems)
  - Speeds up the process of updating any reporting packs

- Power BI

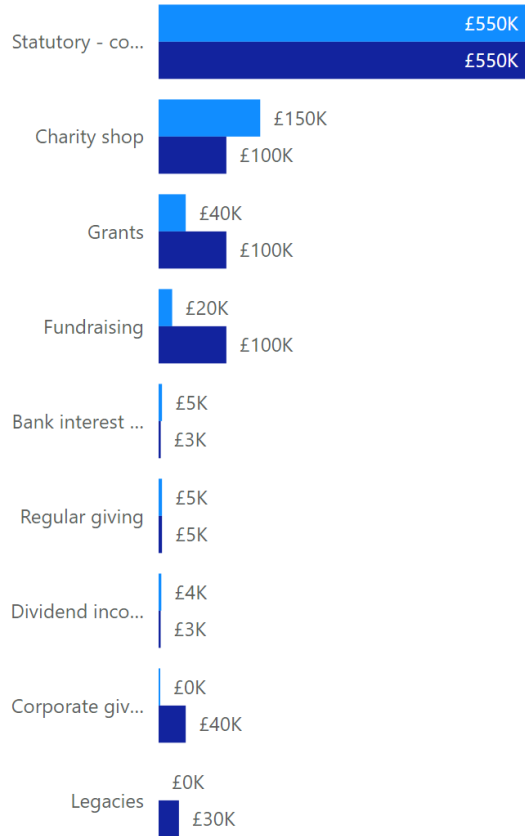
- Microsoft’s data visualisation product
- Purpose built for reporting on large datasets
- Costs?
  - Free to download desktop version
  - To share ‘published’ reports around your organisation requires a paid licence



## Income vs Budget

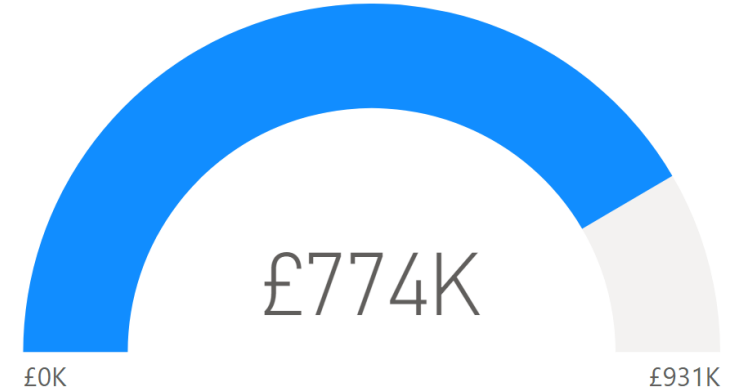
# Power BI Example

● Sum of Amount ● Sum of Budget



Category

All



Category	Sum of Amount	Sum of Budget	Sum of Variance
Bank interest received	£5,000	£3,100	£1,900
Charity shop	£150,000	£100,000	£50,000
Corporate giving	£25	£40,000	£-39,975
Dividend income	£4,000	£3,000	£1,000
Fundraising	£20,000	£100,000	£-80,000
Grants	£40,000	£100,000	£-60,000
Legacies	£0	£30,000	£-30,000
Regular giving	£5,000	£5,000	£0
Statutory - contracts	£550,000	£550,000	£0
<b>Total</b>	<b>£774,025</b>	<b>£931,100</b>	<b>£-157,075</b>





# Thank You

## Any Questions?



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