Bringing Financial Reports Alive in Excel with Visualisation

EXPLORING THE JOURNEY FROM RAW DATA TO ACTIONABLE INSIGHTS.

Lunch and Learn series

John Tennent

Lunch & Learn – The Series

12 Sep	Introduction
11 Oct	Charting Monthly Results
15 Nov	Waterfall Charts
12 Dec	Speedometers
9 Jan	Building the Report

12:30 to 13:00
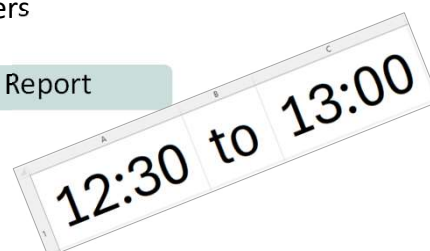
What should a board pack contain?

Is a Trail Balance sufficient?

Recommendations for action

Insights

Information

Data
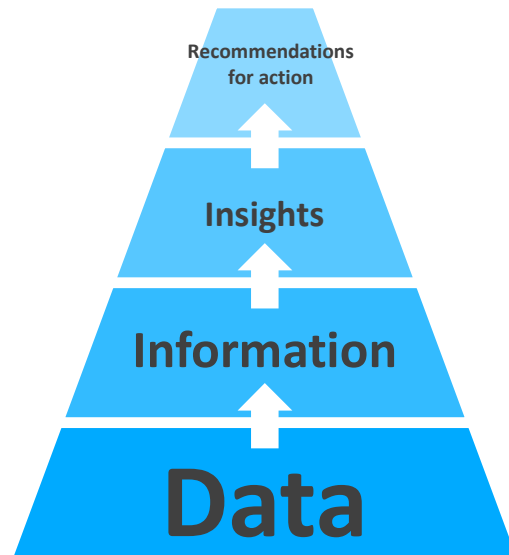
Financial report - Rear view mirror or SatNav?
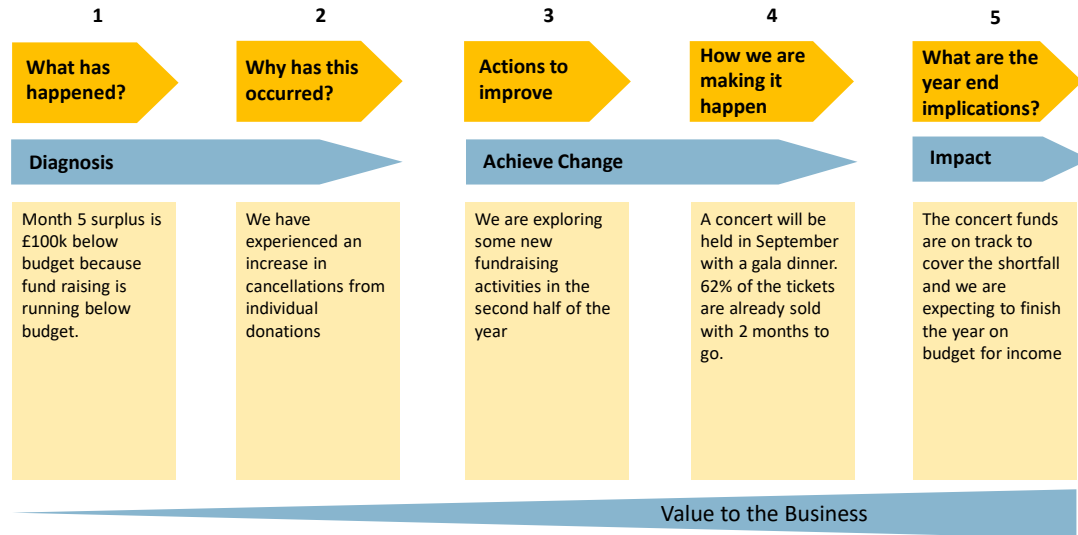
Or

- What we did
- Why we did it
- What happened
- What we gained or lost getting to now

FACT

- Where are we going?
- What is our best option?
- What needs to be done along the way?
- What are the estimates for the finishing point?

JUDGEMENT

Added value commentary

1	2	3	4	5
What has happened?	**Why has this occurred?**	**Actions to improve**	**How we are making it happen**	**What are the year end implications?**

Diagnosis →   **Achieve Change** →   **Impact** →

Month 5 surplus is £100k below budget because fund raising is running below budget.	We have experienced an increase in cancellations from individual donations	We are exploring some new fundraising activities in the second half of the year	A concert will be held in September with a gala dinner. 62% of the tickets are already sold with 2 months to go.	The concert funds are on track to cover the shortfall and we are expecting to finish the year on budget for income

Value to the Business

What should a board pack contain?

Management Accounts - August 2024

CHARITY

Essential Information

Income below target with turnaround plan	We are £30k below a budget of £880k, we have lost 126 supporters in the first half of the year. We have a Choral concert planned for September to make up the shortfall to bring us back on track. We have two supporter events planned before Christmas to recruit new donors.
Costs under budget with two vacancies	Costs are 12k under spent due to the delay in recruiting two care staff. Adverts in July have yielded a weak candidate response and we have a paper going to the People Committee in September to consider raising the remuneration offered by 8% to match comparable roles in the vicinity. The delay in recruitment will yield a higher surplus, unless we need to deploy agency staff at their premium rates.
Patients catching up with plan by November	The new contract with the Local Authority was delayed from March to July due to their funding shortfall. We are currently 8 patients behind plan with a further 10 expected by the end of October bringing us up to plan.

Key Numbers

		Year to August (8 Months)				Full Year			
		Actual	Budget	Variance		Forecast	Budget	Variance	
Income	£,000	850	880	(30)	●	1,395	1,405	(10)	○
Surplus	£,000	33	51	(18)	●	81	75	6	●
Cash	£,000	211	190	21	●	231	200	31	●
Patients	No.	98	105	(7)	●	108	110	(2)	○

Decisions Required

Pay rates	Consider the 8% pay rise for care staff to match other local roles. It will cost us £42k in a full year for all 16 staff of similar grades.

Landscape helps with columns on later pages

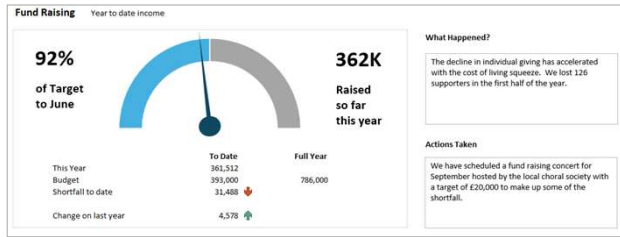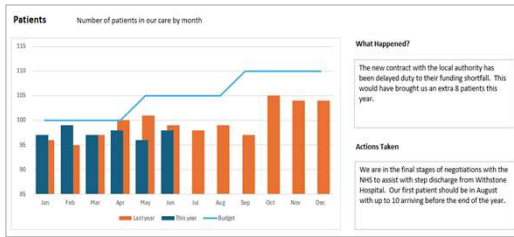Use **Tables** – headlines on left, detail on right

Key numbers – align to KPIs

Note the important decisions to be made

What should a board pack contain?

The Care Team
Management Accounts for April 202X

(dashboard with management accounts table, Bridge waterfall chart "Surplus for the first six months", Patients bar chart "Number of patients in our care by month", and Fund Raising gauge "Year to date income" — with "What Happened?" and "Actions Taken" commentary panels)

The report – Provide the numbers, add the value

The Care Team

Management Accounts for April 202X

Income Statement	April					Year to Date					Full Year			
	Budget	Actual	Last Year	Variance Plan	Variance Last Year	Budget	Actual	Last Year	Variance Plan	Variance Last Year	Budget	Forecast *	Last Year	Variance Forecast
Income	125,000	91,576	140,167	(33,424)	(48,591)	420,000	440,723	426,999	20,723	13,728	1,405,000	1,425,723	1,469,879	20,723
Care Staff	(50,000)	(27,581)	(56,487)	22,419	28,906	(168,000)	(182,323)	(172,666)	(14,323)	(9,657)	(562,000)	(576,323)	(598,145)	(14,323)
Gross Contribution	75,000	63,995	83,680	(11,005)	(19,685)	252,000	258,400	254,329	6,400	4,071	843,000	849,400	871,734	6,400
Office Staff	(44,000)	(31,942)	(49,740)	12,058	17,798	(148,000)	(131,827)	(159,052)	16,173	27,225	(488,000)	(471,827)	(543,680)	16,173
Rent	(3,438)	(3,438)	(3,438)	0	0	(13,750)	(13,750)	(13,750)	0	0	(41,250)	(41,250)	(41,250)	0
Utilities	(3,000)	(3,239)	(4,268)	(239)	1,029	(12,000)	(12,486)	(11,665)	(486)	5,179	(36,000)	(36,486)	(47,852)	(486)
Other	(2,500)	(2,206)	(2,473)	294	267	(10,000)	(11,817)	(9,805)	(1,817)	(2,012)	(30,000)	(31,817)	(27,417)	(1,817)
Depreciation	(4,125)	(4,404)	(4,225)	(279)	(179)	(16,500)	(18,014)	(16,700)	(1,514)	(1,314)	(49,500)	(51,014)	(49,270)	(1,514)
Net Surplus	17,938	18,767	19,537	829	(770)	51,750	70,506	37,357	18,756	33,149	198,250	217,006	162,265	18,756

KPIs

Contribution Margin	60%	70%	60%			60%	59%	60%			60%	60%	59%	
Net Surplus	14%	20%	14%			12%	16%	9%			14%	15%	11%	

Variances

	Top 5 adverse % variances - Actual v Budget		Top 5 adverse % variances - Actual v Budget		Legend	
1	Revenue	-27%	Other	-18%	More than 10% better than budget	
2	Gross Profit	-15%	Depreciation	-9%	Within 10% of budget both +/-	
3	Utilities	-8%	Cost of sales	-9%	More than 10% worse than budget	
4	Depreciation	-7%	Utilities	-4%		
5	Rent	0%	Rent	0%		

Excel:

- Top 5 variances

Top 5 Variances

22	Variances		Top 5 adverse % variances - Actual v Budget			Top 5 adverse % variances - Actual v Budget	
23		1	Revenue	-27%	1	Other	-18%
24		2	Gross Profit	-15%	2	Depreciation	-9%
25		3	Utilities	-8%	3	Cost of sales	-9%
26		4	Depreciation	-7%	4	Utilities	-4%
27		5	Rent	0%	5	Rent	0%
28							
29							

=LARGE (Array, Position)
=SMALL (Array, Position)

Then =**XLOOKUP** (lookup_value, lookup_array, return_array, [if_not_found], [match_mode], [search_mode]) to find the heading to which it relates

You can add =**ROW()** to force differences

Questions

icaew.com