

This webinar will begin shortly

'How to measure and report charitable impact'
28 September 2023
13.00-14.00

How to measure and report charitable impact

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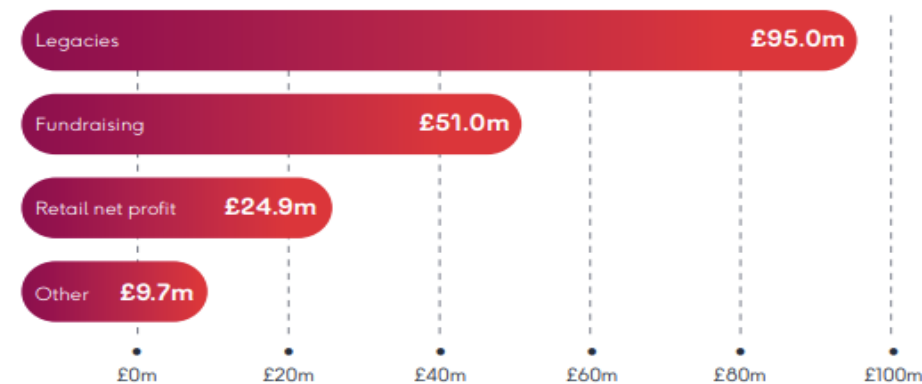


The right metrics can shape a charity's future direction, improving their decision-making and adaptability, while demonstrating their existing impact to the audiences that matter most.

Examples of what charities doing with their data

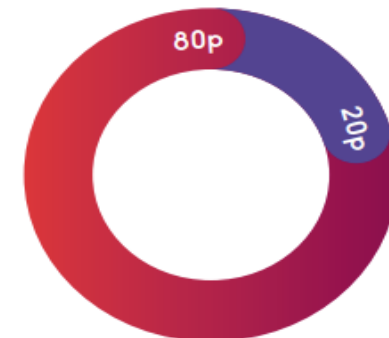


Where our money came from in 2022-23



How your money was spent in 2022-23

Investment in growing our income was £36.3m meaning 80% of total income (net of retail costs) was available to beat heart and circulatory diseases. This is well above our target range of ensuring that at least 70p in the £1 is available to spend on our lifesaving work.



Of every £1 raised

- Available for charitable purposes
- Invested to generate further income

How we delivered our mission in 2022-23



*£115.6m of research grant awards, less accounting adjustments. See page 88 for more information. See our Financial Review on page 86 for more detail on all of the numbers above.

Why is data so important to charities ?

- Understand the strength of your income streams/Fund Raising activity
- Support your day-to-day operations
- Support your tactical and strategic planning
- Evidence accountability and stewardship of ethical practices to guarantee the next £.
- Help with risk mitigation
- Support effective decision making
- Motivation for your own team i.e. the difference you are making

Building that data – back to basics

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Research by Charity Times

88% of funders/donors agree that impact measurement is important.

Donors want to know how you are measuring your success and proving your effectiveness and value.

Expect Meaningful, Visual, Impactful and resonate with your mission

MUST demonstrate Transparency, Accountability and Stewardship

Partnership & Collaboration

Collectively need to understand

- Mission/Role of the charity
- Funding requirements to honour commitments
- Source of funding
- Reserves needed
- Resources needed
- Collaboration required



Financial Sustainability Plan

Three main system areas

Strategic

income, expenditure, reserves, balance sheet, and cashflow. These are all the basic elements of finance which you will need to consider to ensure financial sustainability.

Operational

this is where we look at the mechanics of finance: financial governance, transaction processing, controls, management information and sign off on bids, costing and cost recovery.

Cultural

this is often forgotten about, but looks at whether people think that finance is important or whether finance lacks teeth to get budget-holders to take action.

Covering Short, Medium and Long Term

Environmental, Social and Governance



Emissions, recycle, water resources, land use, deforestation, biodiversity

Managing employee development, labour practices, safety and quality of product/service, supply chain, sourcing

Board Diversity, how executives are compensated, company's sustainability performance, anti-competitive practices

Reporting on ESG is becoming key

- Demonstrate your values to funders
- Support bid proposals
- Encourage corporate organisations to partner with you
- Improve staff retention and attract new talent
- Identify opportunities to improve operational efficiency
- Address existing and future questions from stakeholders, including potential donors, regulators, service commissioners, and the media

Which metrics are right for you?

- **Financial** – Income/Donations received, Value of Services Delivered, Cost of Service etc
- **Statistical** – No of Service Users, No of Members, Beneficiaries, Campaigns being run etc
- **What Time Period** – Daily, Weekly, Monthly, Quarterly etc
- **How will you track performance ?** – Colour Coding, Symbols etc
- **How & Where will you measure ?** – Finance Systems, Spreadsheets, Special tools etc
- **Who do you share the results with ?** – Internal & External Stakeholders
- **What format do they need the information ?** – Annual Report, Dashboards, Reports, Board Packs

Collect the right data that helps you identify your performance

Dashboards for different audiences

Outcomes Sample NFP Metrics

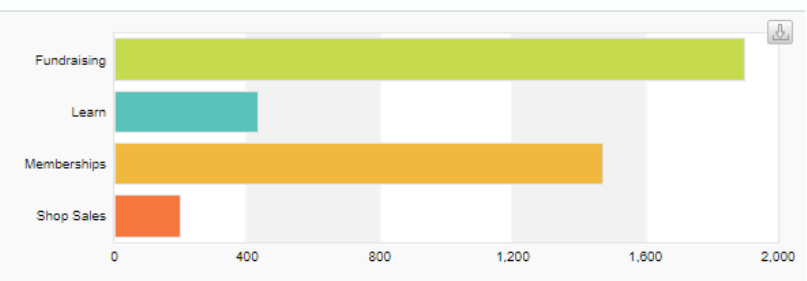
31/12/2021 Clear + ⚙️ 📄 🖨️

# Clients Served 4,009 <small>This year</small> ↑ <small>+145 vs. prior year</small>	# Enquiries Received 217,040 <small>This year</small> ↑ <small>+6.85% vs. prior year</small>	Volunteer Hours 8,584 <small>This year</small> ↓ <small>-10.50% vs. prior year</small>	Total Program Expense £6,240,859 <small>This year</small> ↓ <small>-£1,234,549 vs. prior year</small>
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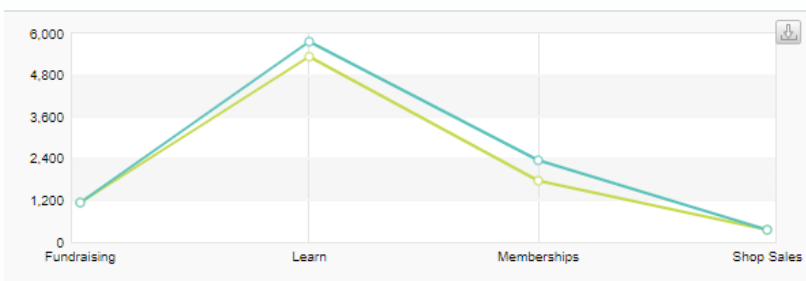
Program Exp with per Client Cost [Financial & Statistical View]
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	Fundraising Year Ending 31/12/2021 Departments	Learn Year Ending 31/12/2021 Departments	Program Services Memberships Year Ending 31/12/2021 Departments	Shop Sales Year Ending 31/12/2021 Departments	All Departments Year Ending 31/12/2021 Departments	Year Ending 31/12/2021 Actual
Expenditures						
Personnel Expenses	1,065,072.64	319,014.87	73,848.18	63,729.09	1,521,664.78	
Professional Fees	641,585.69	51,545.40	65,508.55	37,758.84	796,398.48	
Program Expenses	649,623.25	322,341.88	342,428.36	192,388.25	1,506,781.74	
Occupancy	226,568.25	190,379.30	51,711.41	88,285.55	556,944.51	
General and Administrative Expenses	828,848.74	387,191.35	363,436.78	279,583.28	1,858,070.15	
Total Expenditures	3,411,698.57	1,270,472.80	896,933.28	661,755.01	6,240,859.66	
Clients Served	1,900.00	435.00	1,473.00	201.00	4,009.00	
Cost per Client						
Programmatic Expenses	1,795.63	2,920.63	608.92	3,292.31	1,556.71	
Expenditures	1,795.63	2,920.63	608.92	3,292.31	1,556.71	
Total Programmatic Expenses	1,795.63	2,920.63	608.92	3,292.31	1,556.71	
Total Cost per Client	1,795.63	2,920.63	608.92	3,292.31	1,556.71	

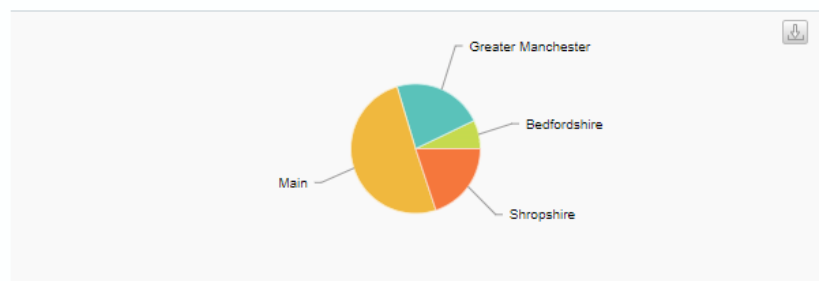
Clients per Program
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Volunteer Effort by Program
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Enquiries per Site
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Example of ESG Reporting



Committed to impact

Our objectives are aligned to global United Nations Sustainable Development Goals (SDGs)



Note: For more information, please click on each of the squares below.

Primary goals

(how our mission works towards each goal)



Our mission is to beat cancer

We work to prevent and treat cancer supporting target 3.1. We also try to do this for everybody, understand how air-pollution impacts cancer and campaign to reduce the number of people who smoke.

► **Targets 3.1, 3.2, 3.8, 3.9, 3a & 3b**



We do this through research

We fund and enhance scientific research and fund and support more researchers to help beat cancer.

► **Target 9.5**

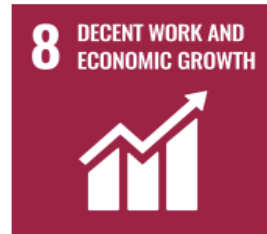
Secondary goals

(how we work to achieve our mission supports each goal)



We aim to reduce the impacts of cancer inequalities and be inclusive in how we beat cancer including patients and researchers, our volunteers and charity leaders.

► **Targets 5.1 & 5.5**



We look to be an inclusive and diverse charity where everyone feels like they belong and have equal opportunities and pay.

► **Target 8.5**



We exist to beat cancer for everyone and look to promote policies and practices that tackle cancer inequalities and include anybody in our organisation and activities.

► **Target 10.3**



Through our nearly 600 shops, in 2022, we redirected around 25,000 tonnes of pre-loved clothes to new owners. We work with our research, charitable and commercial partners to adopt sustainable practices and promote sustainable procurement.

► **Targets 12.5, 12.6 & 12.7**



Through our 4,000 staff and working with our partners, we strive to raise awareness of climate change and how we can mitigate its impacts. We contribute to the UK's efforts on carbon reduction and feed into national policies.

► **Target 13.2 & 13.3**



We support collaborative access to science and innovation to enhance knowledge sharing in health research and our approach promotes effective public-private and civil society partnerships, targeted capacity building in developing countries and improve domestic tax revenue through tobacco tax policy.

► **Targets 17.1, 17.6, 17.9 & 17.17**

Communicating the performance

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Who do you need to communicate with?

Internal stakeholders e.g. HODs

Donors

Fund Raisers

- Others e.g. Charity Commission

Team members

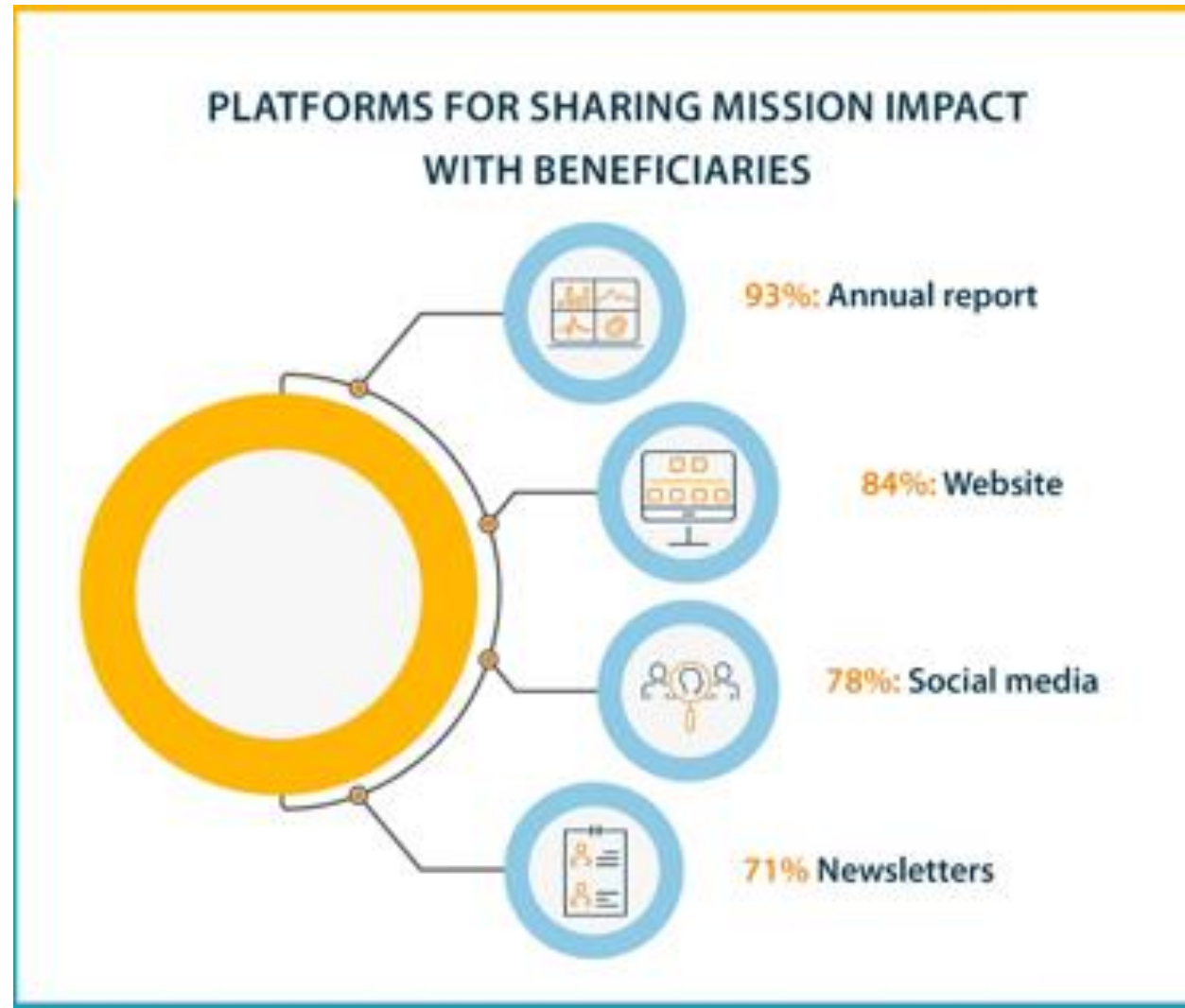
Sponsors

Board/Trustee members

Funders



How do you communicate externally?



Examples in Reports

Finances: Every penny counts

Whether it's contributing to our four funding areas, helping us save for large upcoming projects or allowing us to raise more money for the future, every donation we receive helps to make a difference to the lives of seriously ill children, their families and the staff that treat them.

The way we spend money can vary year on year, especially if a big project like a new building requires an upfront sum. Additionally, large amounts may be held in redevelopment funds/reserves in anticipation of large scale upcoming projects. Because of this, we look at the long-term relationship between the cost of raising money and the donations you give us over a five-year period.

Your £1*

71.8p

Goes directly to charitable activity.

28.2p

Helps us raise the next pound.

*Five year average as of 2020/21.

What We've Raised in 2020/21



What We've Spent in 2020/21



£7.7 million Child, Family and Staff Support

Investing in services to raise children's spirits, ease the burden on families and support the amazing staff who care for them.

£11.4 million Pioneering Research

Supporting world-leading scientists to find the diagnoses, treatments and cures of tomorrow.

£4 million Advanced Medical Equipment and Systems

Funding cutting-edge kit to address the hospital's most urgent technology needs.

£5.8 million Rebuilding and Refurbishment

Creating flexible, future-proofed facilities designed around children and young people.

All the figures above include allocated support costs to cover essential administration of the grants.

Future using AI tools such as ChatGPT

- *First and foremost everyone's role is safe*
- *Key to data analysis is to use the right prompt with GPT tools*

Examples

- *Understand potential donors/funders/sponsors*
- *More analysis on less data - extrapolate in multiple ways in less time*
- *Help evaluate fund raising ideas*

...and so much more



Empowerment of measuring the right metric

Cost Cutting and Efficiency

New Income and Competitive Opportunities

Innovation

Risk Mitigation

Improved Employee development and retention



Value of metrics to charities

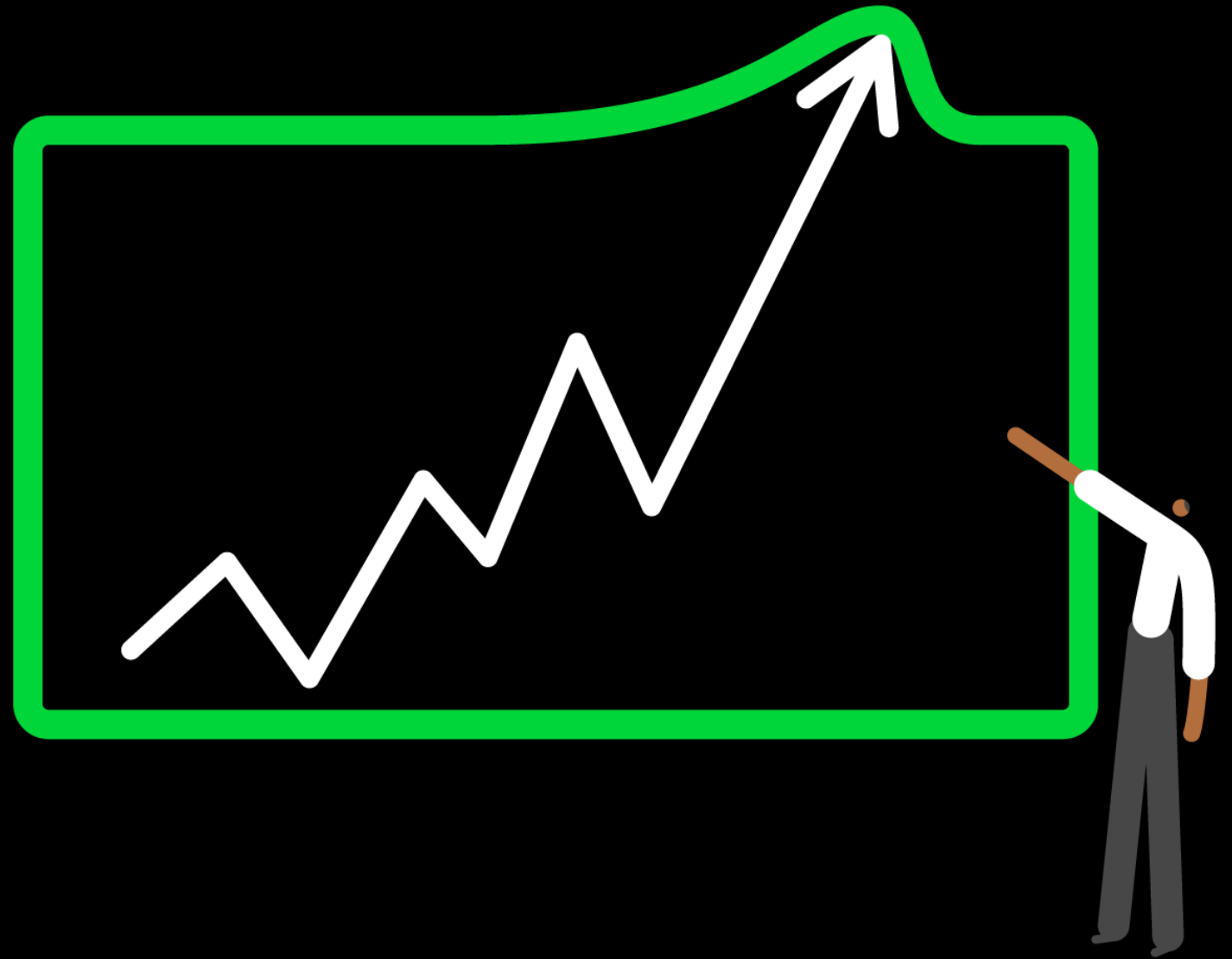
It presents many opportunities for charities to

- derive greater insight of their organisation
- improve decision making
- increase reach and donations
- boost impact
- influence policies e.g. Government, NHS, Corporations etc.



For More Information

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Thank you for watching!

Join our next webinar

'Where to start with ESG investment for your charity'

12 October 2023

13.00-14.00
