



Modern financial reporting for not-for-profits.

Get a holistic view of your impact by combining financial and operational data

Phocas.
Got data. Get results.

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Introduction.

Finance plays a critical role in ensuring not-for-profit (NFP) organizations continue to both survive and thrive. The pandemic highlights the importance of the skills in the finance team to help everyone understand the actual financial position of a NFP.

This year has been critical for many NFP organizations as people transition to working from home, we experienced firsthand how quickly the working environment and economy can change and in turn, how NFPs had to adapt.

Business managers perform best when they have up-to-date, accurate financial information supporting their decisions. Finance plays a crucial role in the decision-making process, and having timely data is paramount to making good decisions. Waiting until mid-October to find out how September performed — is not fast enough — to respond to the rapidly changing environment.

Managers need to know why their cashflow is significantly down each week and how this is impacting financial sustainability. To improve the cash position, accountants need to investigate whether fundraising efforts are working or they are too reliant on one source of funding.

For many NFP, they must run leaner, markets are consolidating and are more challenging. The run way and being able to achieve their mission is what matters to NFP. The data behind a decision provides the evidence for people to make a change – finance teams need the support of technology to meet expectations, drive efficiencies and add value.

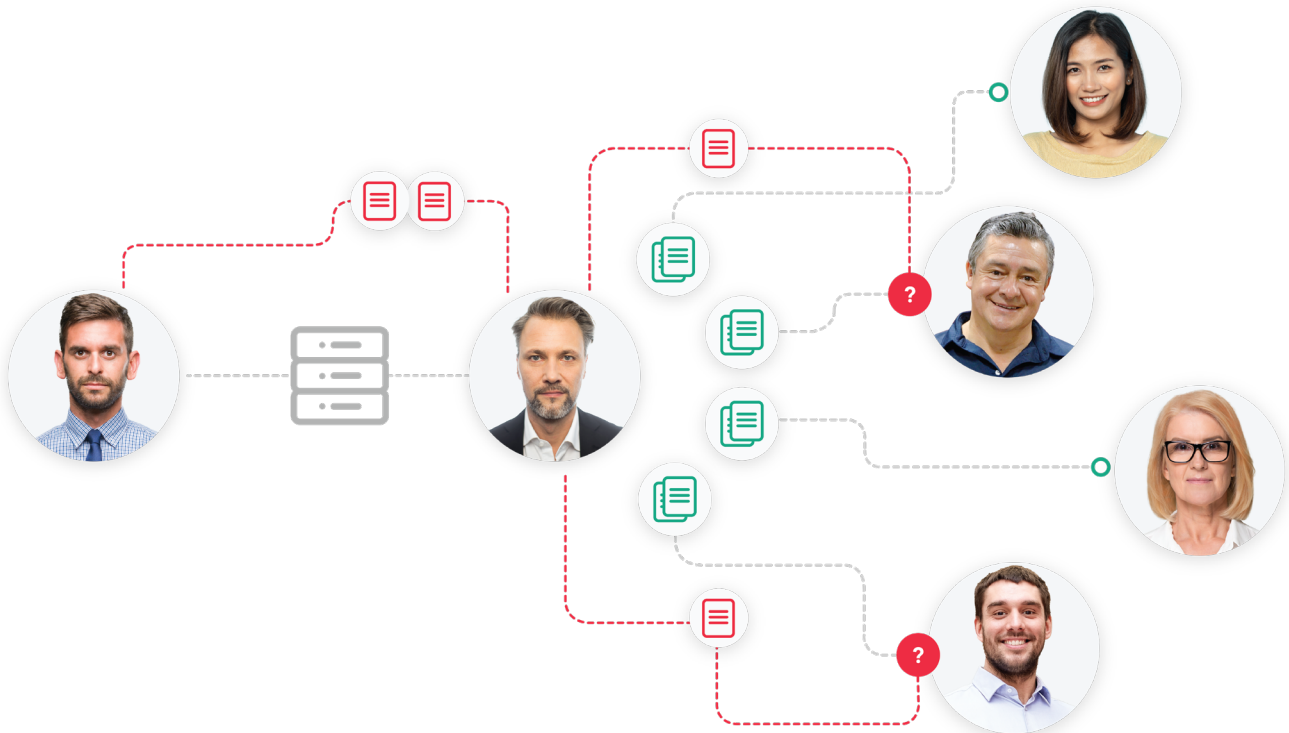
Today, everyone expects access to timely data to set KPIs and measure against them. Managers are hamstrung if they don't have the numbers that they need to perform. But in many NFPs, the finance team's rate of technology adoption has lagged behind other areas which means keeping the finance data siloed from the rest of the business. To adapt to constant change, the finance team must try new practices and new ways of thinking to provide up to date performance to the broader team.

Why traditional finance processes are not sustainable in not-for-profit.

If you work on your NFPs finance team, you'll likely have a hectic workload. For many NFP organizations, the static financial reporting process continues to be arduous, especially if it's still performed manually.

It's a time-consuming process and relies mostly on transferring data from the Enterprise Resource Planning system (sometimes multiple) into spreadsheets, with lots of switching back and forth.

The process is slow because every adjustment to the numbers makes the spreadsheet-based reports instantly out-of-date, forcing the regular creation of new versions.



Most financial reporting consists of standardised statements and reports being created and shared with various managers and decision-makers. When people have questions about the numbers, they have to go back to the finance team who will need to investigate further and generate more static reports.

Given the amount of time that this takes, the report will often be standardized and will only suit a particular audience simply because finance doesn't have time to prepare reports for all different levels of management or different stakeholders.

The delays in the feedback loop here often result in a level of complacency where it is often easier not to ask the questions – which becomes the real problem.

Financial data can no longer be siloed in a NFP – the finance team needs to utilize technology to help create the reports so they can free up their time to educate the rest of the team about the actual numbers. People across the business should understand the numbers so they can better understand what's working well or address inefficiencies in fundraising efforts.



Phocas is fed by the business's ERP system Pronto. **In Phocas our managers, staff and other stakeholders can find everything in just one screen.** In the ERP, it's over several screens but in Phocas the data is gathered and accessible to all in one report. Phocas makes this vital information highly accessible to everyone who needs know 'where we are' and to those who need to use data for making decisions across our business – which today is just about everyone."

Fadia Chidiac, Finance Director, BUNZL Safety.



Phocas free demo

Click here to [book a free demo](#) of Phocas for not-for-profits.

An inclusive approach to financial reporting.

Modern NFP leaders both understand that rapid change is the only constant in the business landscape and that adopting the right technology is key to keeping pace with that rapid change.

Static reporting hampers NFPs ability to remain agile in the face of emerging challenges.

NFPs need to be more responsive and adapt to changes in the market. When markets shift, NFPs must act quickly, but people need access to up-to-date data to inform decisions.

NFPs can use software to consolidate all data into a single source of truth, so that everyone can make decisions quicker and more accurately. Financial data needs to be in that mix because everyone needs to operate with consistent, finished numbers.

A modern approach to financial reporting involves an inclusive model where finance still controls the data within the ERP. Nevertheless, users can access the output of that ERP in real-time and at a level customized to each user allowing the business to lift performance with greater visibility of the numbers.

Phocas Financial Statements sits as a presentation layer on top of the ERP data. Financial statements are created in the same tradition as the accounting team recognizes, but the process is automated for each statement. The finance team can quickly build financial statements customized to users' access, users can see information relevant to them, and management can see information across the whole operation.

The data is automatically synced to the statements so users can see all financial transactions linked to them, so it is easy to interrogate the numbers further and answer questions. Reports are dynamic with users interacting with the data but importantly, never touching the general ledger.

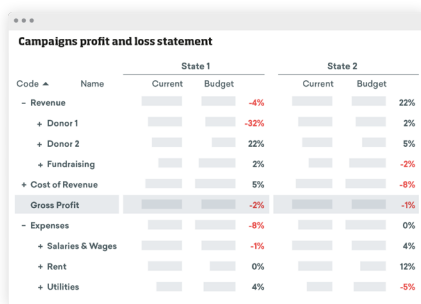
Many of the questions asked by management team can now be analyzed and answered on the spot or users can answer their questions—in their own time—freeing up the finance team to carry out more complex and value add analysis.

Analyze, customize and visualize financial reports.

There are three steps users move through to get the most from the Phocas data analytics plus Financial Statements solution.

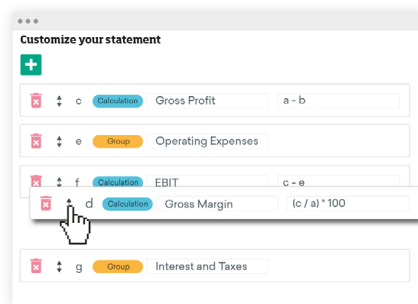
It starts by analyzing the data in the financial statement. All users will be able to see the information relevant to them.

The idea is to empower the user and ultimately make them more accountable for the business units they control. People can also click through to the underlying data for each section of the statement.



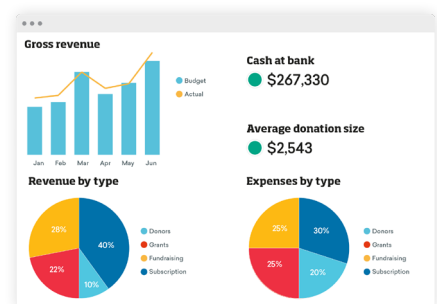
Analyze

- dynamic rather than static reporting
- immediate drill through to transactions for quick data queries without touching the ledger
- export to Excel, keeping all hierarchies and formulas intact



Customize

- profit & loss, cashflow, balance sheet and trial balance and customized financial statements builder included out-of-the-box
- customize and add calculations such as EBIT, margins and ratios
- flexible administrative control with filtered and restricted access



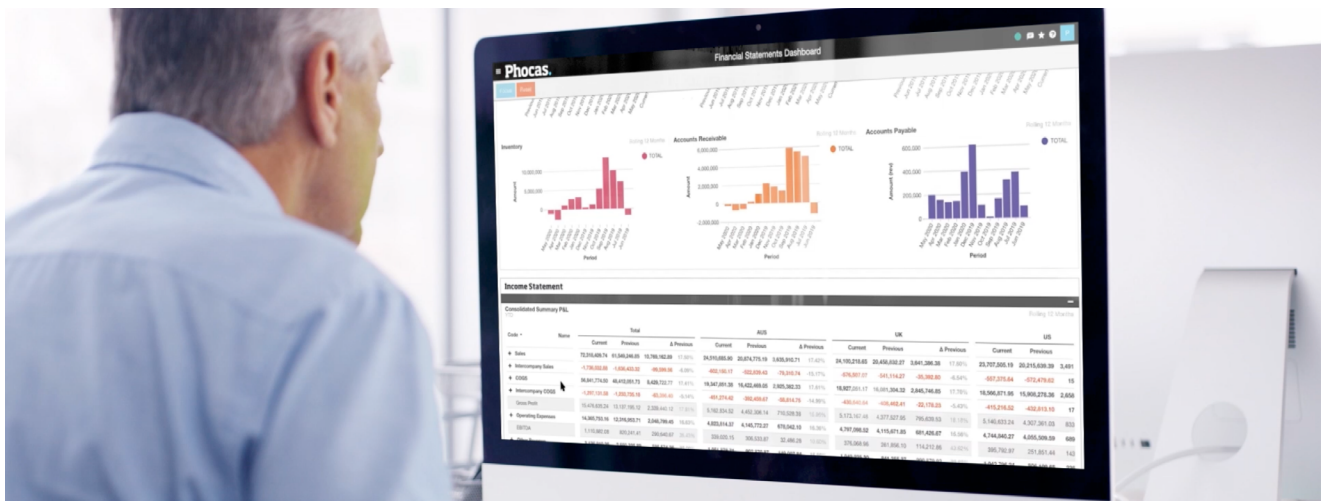
Visualize

- live dashboards give a snapshot view of financial performance
- report, analyze and track campaigns
- integrate multiple data sources to reveal what's really going on and make better, faster decisions.

The finance team can customize the financial statements (P&L, balance sheet and cashflows) to suit the audience. For instance, if you have three regions you operate in, then most likely three different reports for each audience are created.

Finally, using dashboards from the analytics tool means people can visualize financial information. This provides a clear and real snapshot of your NFP and is a more natural way to uncover patterns, communicate insights, and make data-driven decisions. More visibility of financial impact through dashboards leads to better conversations between teams by having an easier way to understand the financial statements. By using dashboards, more people grasp the numbers, which leads to an organic education of non-financial stakeholders and a stronger performing business.

Where do Excel spreadsheets fit in?



Phocas understands the affinity accountants have with spreadsheets, but we also know the ubiquitous tool is not always fit-for-purpose, especially when preparing month-end statements. You'll be aware of the common pitfalls of Excel around data integrity, formula errors, user errors and data becoming corrupted. What the Phocas solution has concentrated on is removing the limitations of Excel and using the power of the data analytics solution to carry out data consolidation, analysis and customization, so the preparation of the financial statements is straightforward and replicated quickly and efficiently.

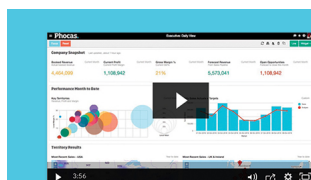
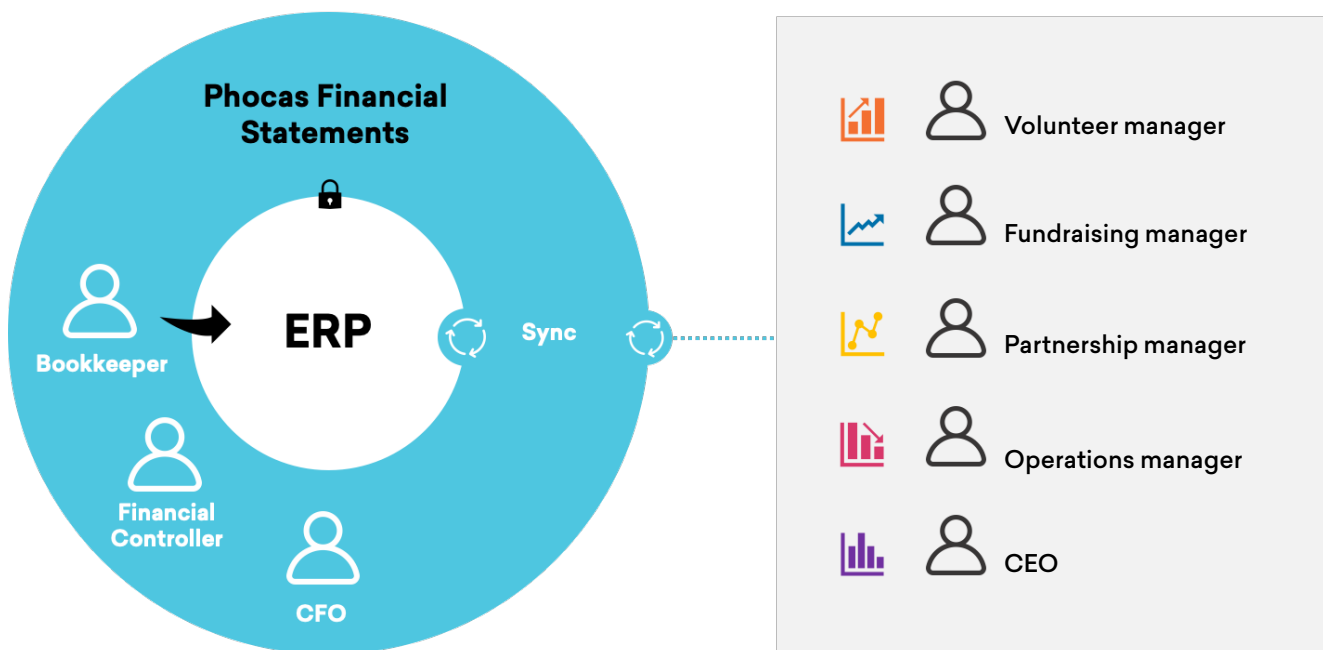
Phocas Financial Statements are also designed to work with Excel and have an extension into it, as required. When exporting to Excel, all Phocas hierarchy's are maintained, and formulas remain intact for seamless integration enabling additional modelling such as cash flow forecasting.

Security and controls.

The finance team has ultimate control over the financial statements in Phocas.

The in-built, user permissions allow the finance team to govern the level of detail each user sees and to control their ability to see sensitive data.

ERP data is usually tightly guarded which is why finance has siloed it and restricted access. Phocas Financial Statements tool has the functionality to open-up the financial numbers to the rest of the business but with no risk of touching the general ledger. Users see and drill into information that is only relevant to them and to protect sensitive financial information.



Phocas demo

Click here to watch a demo of Phocas for not-for-profits.

Why Phocas for your not-for-profit.

For a long time, the financial numbers were the domain of the accounting team.

By using software that enables sharing profit, loss and variance with other departments means more people can engage and invest in the development of a team's performance and mission.

Furthermore, having access to the NFPs's financial data shows leaders the outcomes of their campaigns, which both makes them more accountable for the execution of a strategy and demonstrates what works and what doesn't.

There is also a growing push toward having a more modern finance team that can be ready for anything, can quickly share up-to-date numbers and coach others in the organization about financial performance. The biggest obstacle to achieving digital innovation in finance is the lack of trained teams in technology. To help address the problem, NFPs must consider intuitive financial analysis software. Phocas data analytics plus Financial Statements are designed to build a bridge to digitizing finance capabilities, providing benefits for both the experienced finance team member and the rookie.

Having robust, accurate financial data backing all decisions will put your NFP in a better position to improve and adapt.



Get in touch.

Learn how Phocas can help you achieve your not-for-profit goals.

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Want to know more?

Visit [Phocas website](#)

Book a demo – <https://phoc.as/BookDemo>