

Long term financial sustainability



Outline

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 - Cash flow
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 - Multiannual financial planning
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- Take home

Disclaimer 1



VS



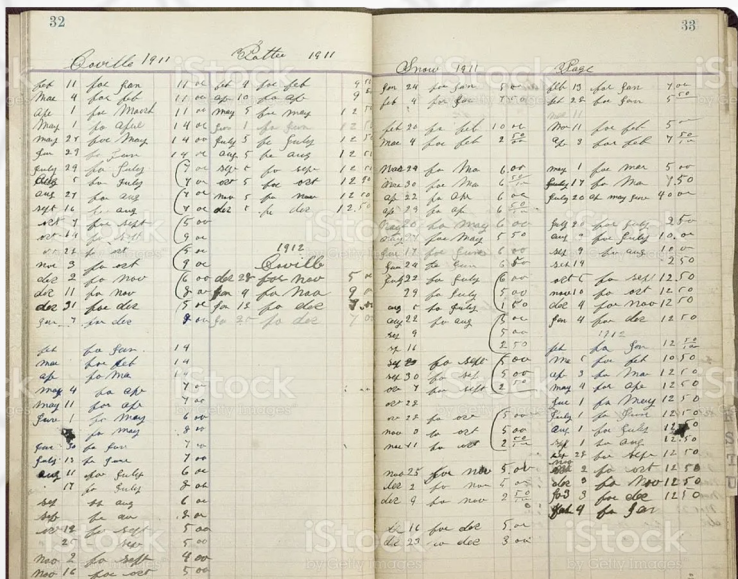
Disclaimer 2



Disclaimer 3



Basics



| 1911 | | 1912 | |
|-------|-----|-------|-----|
| Month | Day | Month | Day |
| Jan | 11 | Jan | 11 |
| Feb | 11 | Feb | 11 |
| Mar | 11 | Mar | 11 |
| Apr | 11 | Apr | 11 |
| May | 11 | May | 11 |
| Jun | 11 | Jun | 11 |
| Jul | 11 | Jul | 11 |
| Aug | 11 | Aug | 11 |
| Sep | 11 | Sep | 11 |
| Oct | 11 | Oct | 11 |
| Nov | 11 | Nov | 11 |
| Dec | 11 | Dec | 11 |



Basics

Cash Accounting



Record income when you receive it.

Record an expense when you pay it.



Accrual Accounting



Record income when you earn it.



Record an expense when you incur it.

Basics



Basics



Basics

| | Budget |
|-----------------|------------|
| <u>Income</u> | |
| sponsors | 10 |
| membership | 50 |
| events | 100 |
| total income | 160 |
| <u>Expenses</u> | |
| computers | 20 |
| staff | 50 |
| venues | 80 |
| total expenses | 150 |
| Result | 10 |

Basics



Basics

Income

sponsors
membership
events
total income

| Budget | YTD |
|-----------------|------------|
| 10 | 2 |
| 50 | 34 |
| 100 | 110 |
| 160 | 146 |
| <u>Expenses</u> | |
| computers | 30 |
| staff | 2 |
| venues | 90 |
| 150 | 122 |
| Result | 24 |

Expenses

computers
staff
venues
total expenses

Result

10

24

Steps further



Steps further

Income

project a
project b
project c
total income

| Budget | YTD |
|-----------------|--------------|
| 10 | 2 |
| 50 | 34 |
| 100 | 110 |
| 160 | 146 |
| <u>Expenses</u> | |
| 8 | 25 |
| 15 | 2 |
| 47 | 88 |
| 70 | 2 |
| a 10 | 1 |
| b 30 | 1 |
| c 30 | 0 |
| overhead 10 | 5 |
| 150 | 122 |
| Result | 10 24 |

Steps further



Steps further

| | Budget | YTD | YTE |
|-----------------|------------|------------|------------|
| <u>Income</u> | | | |
| project a | 10 | 2 | 6 |
| project b | 50 | 34 | 16 |
| project c | 100 | 110 | -10 |
| total income | 160 | 146 | 12 |
| <u>Expenses</u> | | | |
| project a | 8 | 25 | 0 |
| project b | 15 | 2 | 2 |
| project c | 47 | 88 | 12 |
| staff | 70 | 2 | 68 |
| a | 10 | 1 | 9 |
| b | 30 | 1 | 29 |
| c | 30 | 0 | 30 |
| overhead | 10 | 5 | 7 |
| total expenses | 150 | 122 | 89 |
| Result | 10 | 24 | -77 |

Steps further

| | Budget | YTD | YTE | Result |
|-----------------|------------|------------|------------|------------|
| <u>Income</u> | | | | |
| project a | 10 | 2 | 6 | 8 |
| project b | 50 | 34 | 16 | 50 |
| project c | 100 | 110 | -10 | 100 |
| total income | 160 | 146 | 12 | 158 |
| <u>Expenses</u> | | | | |
| project a | 8 | 25 | 0 | 25 |
| project b | 15 | 2 | 2 | 4 |
| project c | 47 | 88 | 12 | 100 |
| staff | 70 | 2 | 68 | 70 |
| a | 10 | 1 | 9 | 10 |
| b | 30 | 1 | 29 | 30 |
| c | 30 | 0 | 30 | 30 |
| overhead | 10 | 5 | 7 | 12 |
| total expenses | 150 | 122 | 89 | 211 |
| Result | 10 | 24 | -77 | -53 |

Steps further



Steps further



Steps further



EU funding



Take home

- Understand where your organisation is
- One step at the time
- Team work
- Monitor (also cash flow!)
- Forecast and adjust
- Repeat



That's all Folks!