

Dashboard Reporting

Traditionally financial modelling produces a series of forecast financial statements supplemented with industry specific metrics which management and investors use to analyse future performance. This information can become quite detailed and to support ease of understanding a "Dashboard" presenting summary information is often included as a reporting tool. The concept behind the "Dashboard" is to present a concise (relatively) uncluttered overview of the model outputs to aid decision making. The dashboard often includes a simplified set of statements, metrics and charts to present time series metric information.

We would like to suggest two additional charts that help to visually explaining the financial situation and performance of your business; 1. Hotspot Charts, and 2. Visual Income Statements

[Note: the information presented in the charts below is all from a fictional SaaS company, Company X with no relationship to any actual company performance]

Hotspot Chart – This works well for any information that has a geographic basis (e.g. regional or international). A good example is either customer numbers or revenue by region. In this chart the size of the "bubble" is relative to information for the other geographic regions. Within the model this chart can be linked to a set of drop down selectors firstly selecting the information to be presented (i.e. revenue, costs, or customer numbers) and secondly the time period to present (e.g. year). The result is a geographic snapshot of the information as at the point in time selected.

The example presented below is the geographic snapshot of company X's revenue in 2015 and 2025 – go Madagascar!

Visual Income Statement – There are countless people in the financial world that have stared endlessly at income statement interpreting company performance. For those who are more visual, the visual income statement helps to see the components that make up a company's income statement at a point in time. Although it takes some explaining at the outset these charts can send quite powerful messages. In these charts, as presented in Figures 3 and 4 below, the green bars are "ups" (i.e. revenue) and are read at the top of the bars, the red bars are "downs" and are read at the bottom of the bars and the blue bars are the key metrics (e.g. EBITDA, EBIT and NPAT).

For example in Figure 3, the company makes a loss where the chart presents the components of this loss. We can see the company recorded a little over \$400,000 in revenue (green bar), from this \$400,000 cost to serve (CTS), cost to acquire (CAC), general and administration (G&A) and research and development (R&D) costs are removed producing a negative EBITDA, depreciation further reduces this producing a negative EBIT. As a loss is posted the company has no tax and NPAT equals EBIT. Figure 4, presents the same company's income statement 10 years on with a profit. The key difference that can immediately be seen is significantly more revenue, tax being paid as the company reports a profit and a different split in the cost components.

Note: This type of chart can also be employed to present the Cashflow Statement.

Figure 1: World Hotspot Chart – Revenue by Country, 2015



Figure 2: World Hotspot Chart – Revenue by Country, 2025



Figure 3: Visual Income Statement – Making a Loss, 2015

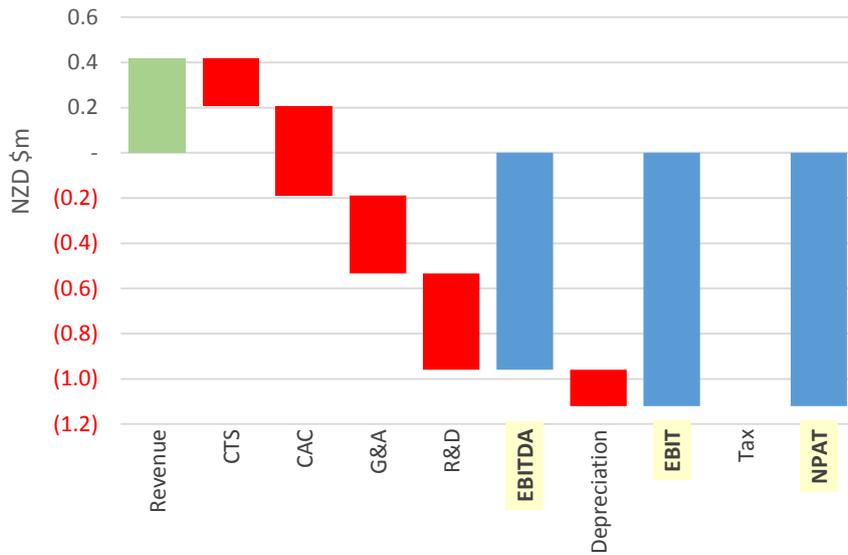
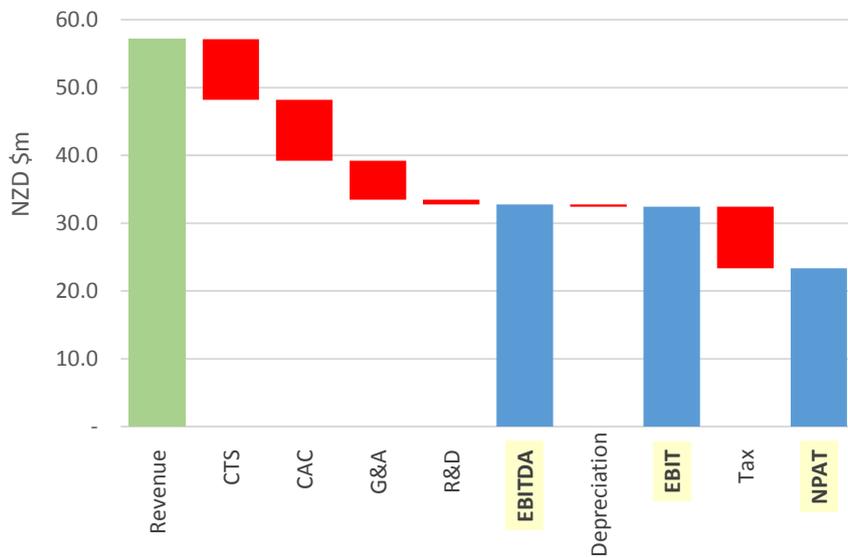


Figure 4: Visual Income Statement – Making a Profit, 2025



These charts are all excel based and are relatively easy add to any financial modelling or board reporting, give it a go, we can help if need be.

About Clare Capital

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- Originating ideas for clients.
- Assisting clients by completing analysis of issues.
- Assisting clients to complete commercial transactions.

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- **Corporate Finance** – combining fundamental corporate finance principles with real-world practical experience to provide clients with: valuations, capital structure advice, and option and incentive schemes.
- **Strategic Advice** – strategic and commercial advice to clients including: detailed strategic options analysis for clients facing key decisions and structuring and negotiating financial and commercial agreements.

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