

## *Financial training For non financial staff*



*The financial training specialists*

### ***6 things to remember when looking at the monthly report***

When the monthly budget report comes out, here are 6 things to think about:

- 1 Are the “actual” costs for the month correct:
  - are they all your costs?
  - have all your costs been included?
- 2 How well are you doing in achieving your objectives for the year to date?
  - remember that we only spend money to achieve our objectives
- 3 What does your total expenditure/surplus/deficit look like for the year to date in the context of your objectives?
- 4 Highlight the major adverse and favourable variances (“major” is 1% or more of total spend or income to date)
- 5 Ask the three key questions about these variances:
  - what has happened to cause them?
  - what will you do about them?
  - what are the wider ramifications?
- 6 Now think about the impact on your forecast. In the light of what has happened so far, what will your budget look like by the year end?