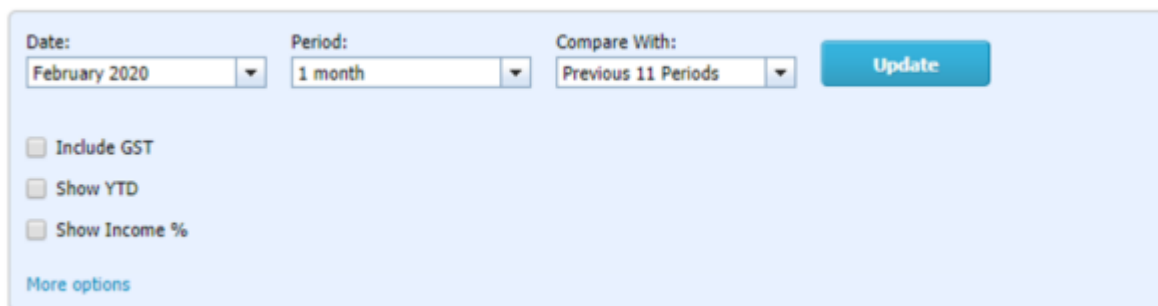


## Assessing viability – is your centre running with financial health

Playcentre Aotearoa Finance Update – 5 March 2020

I thought I might add a monthly section giving a quick tip for our treasurers and staff to help read the Xero reports and get the best out of the system we are using.

This month I thought I would do a small section on assessing viability – is your centre running with financial health. For this I find a really helpful and often overlooked report is the “Cash Summary” report which can be found under the reporting Tab. I like to set the “compare with” to 11 months and hit update.



The screenshot shows the Xero report filter interface. It includes three dropdown menus: 'Date' set to 'February 2020', 'Period' set to '1 month', and 'Compare With' set to 'Previous 11 Periods'. There is an 'Update' button to the right. Below the filters are three checkboxes: 'Include GST', 'Show YTD', and 'Show Income %', all of which are currently unchecked. A 'More options' link is located at the bottom left of the filter area.

After this I like to scroll down to the very last line with the closing balance and look at each bulk funding month March, July and November to see if the balance is roughly holding steady or is the total cash dropping round to round. If its holding steady your centre is probably reasonably healthy, if its growing – Great, but if its dropping a few thousand dollars after every round then your centre is starting to use its reserves and should put some time into considering your costs vs income and where you can increase your revenue e.g. fundraisers, building rentals, or reduce your costs.

See example below – the balance in November is slightly higher than July which tells us the centre is operating viably.

[Add Summary](#)

	Feb 2020	Jan 2020	Dec 2019	Nov 2019	Oct 2019	Sep 2019	Aug 2019	Jul 2019
<b>Summary</b>								
Opening Balance	21,688.37	21,688.37	21,189.44	18,323.39	18,984.67	19,514.69	20,164.10	13,528.93
Plus Net Cash Movement	0.00	0.00	498.93	2,866.05	(661.28)	(530.02)	(649.41)	6,635.17
Closing Balance	21,688.37	21,688.37	21,688.37	21,189.44	18,323.39	18,984.67	19,514.69	20,164.10