



IMPORTANCE OF AN ANNUAL REPORT



Presented by Judy Hills

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- VP of Friends of the New Bern-Craven County Public Library
- Maintains two nonprofit websites
- Editor of four monthly newsletters and one bi-monthly newsletter
- Former college adjunct faculty—taught business education
- Taught grant writing, grant management, and other nonprofit courses
- Former Executive Director of a quasi-governmental regional organization that provides planning, aging program oversight, and other services to nine counties and 62 municipalities in central eastern North Carolina
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Do we really need an Annual Report?

- YES!!!
- Documents Friends' accomplishments over the past calendar or fiscal year
- Should be a document (not just an oral report)
- For transparency (obligation or willingness by a charity to publish and make available critical data about the organization)
- Provides an accounting to:
 - Members and donors
 - Library trustees
 - Regional library trustees (if applicable)
 - Local governments (city/county) that fund the library
 - General community
- Does not need to be sophisticated/polished



What is the most important part of an Annual Report?

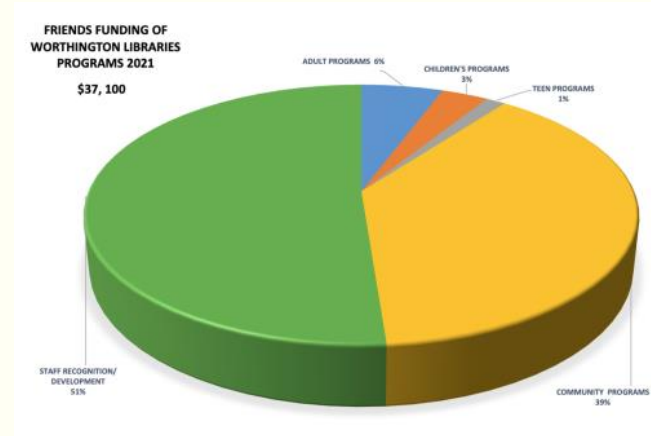
Description of your accomplishments

- What did you do?
- Why did you do it?
- What were the results?
- Why did you spend time and money the way you did?
- What difference did it make?
- Connects the dots for the readers



What needs to go in the financial section?

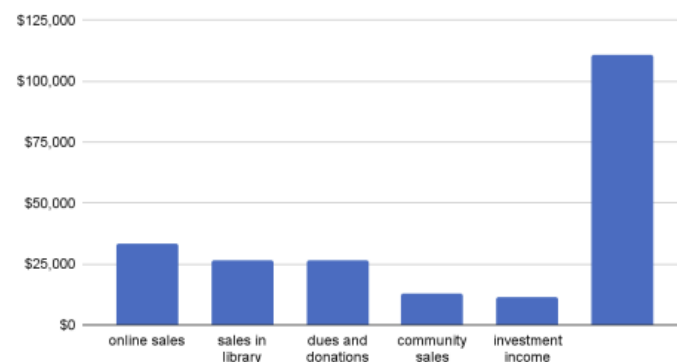
- Revenues—where did they come from?
- Expenditures—how much was spent on what?
- Charts & graphs (pie, bar, infographics)
- Short narrative explaining the numbers



Income Sources

Online sales \$33,200
Sales in Library \$26,700
Dues and donations \$26,700
Community sales \$12,800
Investment income \$11,600
Total \$111,000

Income 2020 - 21 Total \$110,000



Expenditures

Rent \$23,100
Contribution to the Library for programs and activities \$13,000
Bestseller books and DVDs were funded from the contribution carried over from FY 2019 - 20.
Indirect expenses \$9,900
Total \$46,000

Expenses 2020 - 21 Total \$46,000



How do we acknowledge donors and major contributors?

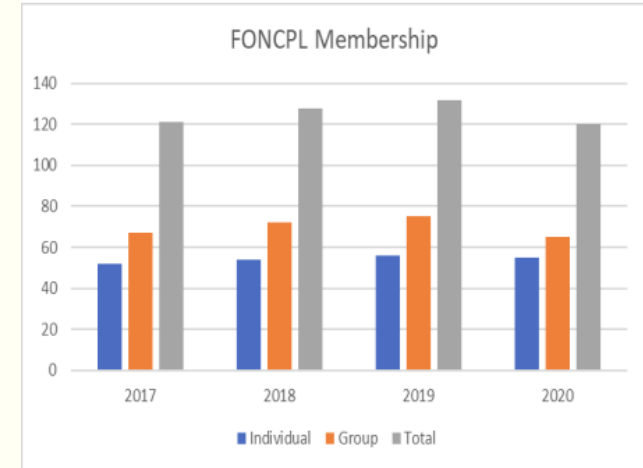
- List major contributors (cash and non-cash)
- Alphabetize the list
- List members who made significant contribution of their time & talents
- Use lots of pictures



What else could go in an Annual Report?

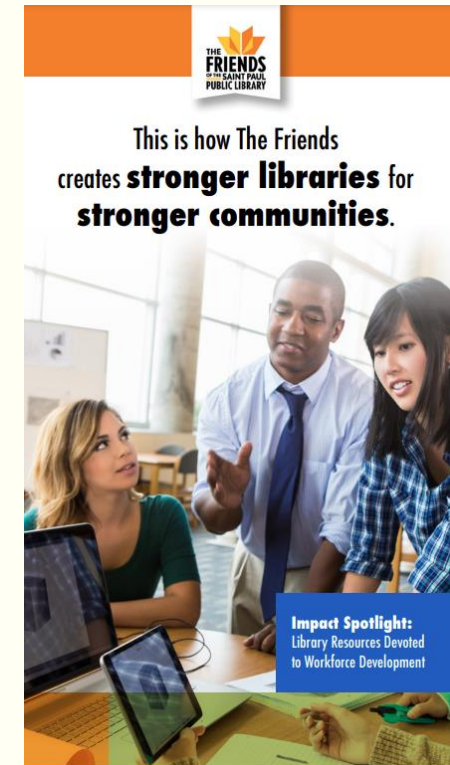
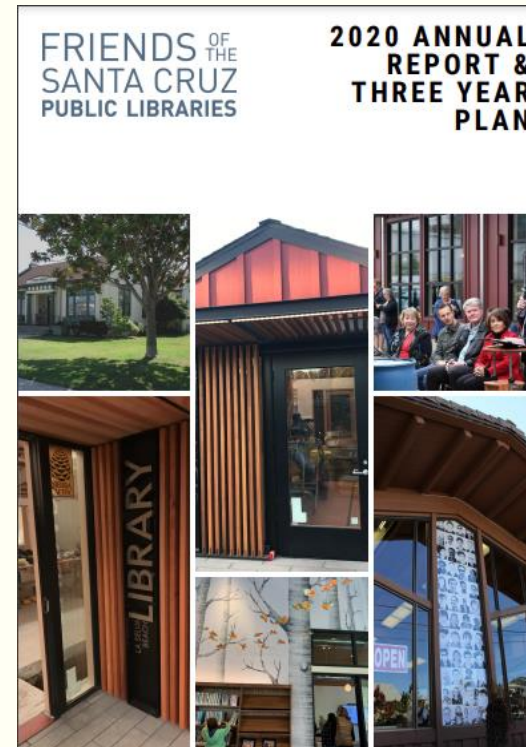
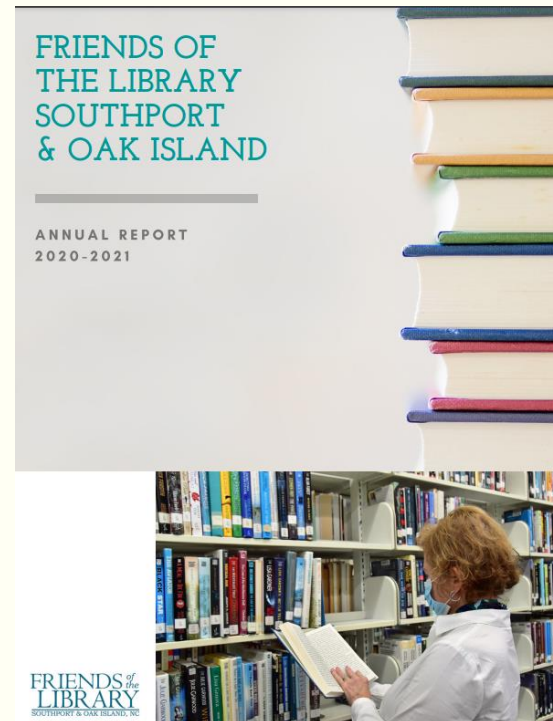
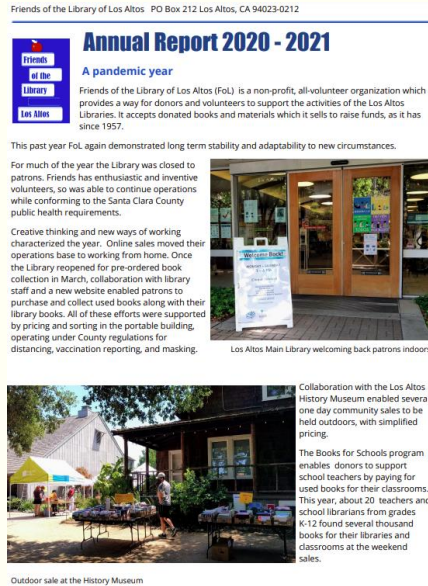
■ Graphs

- Book sale net profit
- Memberships
- Volunteer hours
- Fund or reserve balance (net gain/loss for the year)
- Savings account
- Contributions to an endowment



What should an Annual Report look like?

- Do research on how other Friends' Annual Reports look
- Could be two pages or twenty (or more)
- Could be plain or glossy
- Tell stories



How might we use the Annual Report?

- Publish it on your website
- Provide an electronic copy to all your members, supporters, donors
- Provide a copy to a prospective or new member
- Attend meetings and provide a copy as well as an oral report
 - Annual Friends meeting
 - Library trustees
 - City Council*
 - County Commissioner*
 - Chamber of Commerce
 - Presentations to other groups

*Remember that a lot of government meetings are televised—good exposure for Friends



Examples of Friends Annual Reports

Friends of the North Carolina Public Libraries

<http://www.foncpl.org/PDF/AnnualReport.pdf>

Friends of the Chapel Hill Public Library—Annual Meeting Presentation

<https://friendschpl.org/resources/Documents/FriendsCHPL-AnnualMtg2021.pdf>

Friends of the New Bern-Craven County Public Library

[Click here to view report](#)

Friends of the Library Southport & Oak Island Libraries

[Click here to view report](#)

List of Annual Report from around the country

<https://www.friendstnlibraries.org/wp-content/uploads/Annual-Report-Resources.pdf>



Other Resources for Annual Reports

Ultimate Guide to Creating Nonprofit Annual Reports (+15 examples)
<https://www.wildapricot.com/blog/nonprofit-annual-report>

What Should be Included in a Nonprofit Annual Report?
<https://cullinanelaw.com/nonprofit-annual-report/>

8 Tips for Creating an Effective Nonprofit Annual Report
<https://donorbox.org/nonprofit-blog/nonprofit-annual-report-tips/>

How to make charts and graphs using Excel
<https://www.smartsheet.com/how-to-make-charts-in-excel>
[Click here for an MS module](#)

Infographics
<https://venngage.com/blog/what-is-an-infographic/>

Quotes on Giving: <https://www.capitalbusiness.net/resources/14-inspiring-quotes-about-giving/>

Quotes on Libraries: [Click here](#)





“WE UNWITTINGLY JUDGE PRODUCTS BY THEIR BOXES,
BOOKS BY THEIR COVERS, AND EVEN CORPORATIONS’
ANNUAL REPORTS BY THEIR NICE GLOSSY FINISH.”

LEONARD MLODINOW

