



CEO'S REPORT TO THE BOARD

PURPOSE

To support a structured and mutually agreed content for CEO written reports.

The CEO has a duty to keep the board informed on all matters relating to the health of the organisation, its current status and the progress made since the last meeting, together with future projections. The board members rely on the CEO to provide accurate, honest and unbiased information, since board members are held responsible in the event of failure of the organisation. The amount of detail required will vary from one board to another.

Information provided by the CEO not only provides a review of past events but forms the basis for future-directed planning. Issues requiring board decisions should be agreed in advance and should form part of the delegation arrangements for the CEO.

At the meeting, the report can be taken as read by the Chair, with the CEO providing a brief update. The meeting can then move straight on to questions and discussion – a better use of board time than listening to a lengthy verbal report.

The minimum information that the board will require includes:

- > A summary of activities since the previous meeting, including any highlights and lowlights
- > Any major issues that have arisen during the reporting period, including notes of any significant correspondence on matters relevant to the board (e.g., from funding agencies)
- > Any issues that may affect the future operation of the organisation
- > Any staff changes or other major staff issues of which the board should be aware, including challenges and risks (but also significant achievements)
- > Notable developments or changes in the operating environment
- > Any new or evolving partnerships
- > Significant media coverage and issues

Some boards also require the CEO to provide updates on progress in delivery on Key Performance Indicators (KPIs) and aspects of the Strategic Plan.

Except where a separate Finance Officer (or, in some organisations, a Treasurer) is presenting the financial report, the CEO's report should also cover financial matters, including provision of:

- > An up-to-date Balance Sheet
- > A Profit & Loss Statement showing:
 - The result for the period since the previous meeting
 - The result for the year to date
 - A comparison with budget
 - Cash Flow projection for the next six months, and preferably longer

A board report does not need to be an essay, but a summary in dot points under standard headings, with only as much additional detail as is necessary for clarity and with supporting documentation attached if required.

It will be for the board and CEO to agree on the items which are most helpful, and the length of the report. It is assumed that the CEO would be free to add any items which s/he considers important.

The CEO report is also an opportunity to draw attention to issues elsewhere on the agenda where decisions are needed from the board or where board advice and discussion would be welcome. This itself could be a 'required' component of the CEO report.

The CEO's report should be distributed with board papers at least five working days prior to the board meeting to allow time for board members to read and absorb the information and prepare any questions they may have.

If a matter of importance should arise in the period between distribution of board papers and the meeting, the CEO should communicate with the Chair who can then decide how to alert other board members prior to the meeting.

SOURCE

- > Template adapted from [Effective Governance](#)

REFERENCES

- > Fishel, D, The Book of the Board, Federation Press, Sydney, NSW (2003; 3rd edn. 2014)

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