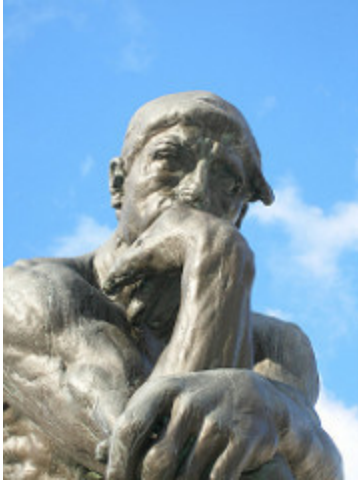




Rethinking Your Annual Report

by [Ann Green](#)



What do you think of when you hear annual report? As a donor, you might think boring, long, a waste of resources, something I'm not going to read. As a nonprofit professional, you might think time-consuming, something we always do, something our board wants.

These are all negatives, but an annual report can be a positive experience for your donors and also doesn't have to be something that's going to stress you out when you put it together.

First, you don't have to do an annual report, but you do have to share accomplishments with your donors. You might want to ditch the annual report and send short progress reports a couple of times a year or monthly e-updates instead.

If you decide to do an annual report, I encourage you to move away from the traditional multi-page one. Aim for something no longer than four pages.

Here are a few ways to rethink your annual report so you won't put your donors to sleep and also make it a little easier for nonprofit staff.

Your annual report is for your donors

Keep your donors in mind when you create your annual report and include information you know will interest them.

You may want to consider different types of annual reports for different donor groups. You could send an oversized postcard with photos and infographics or a two-page report to most

of your donors. Your grant and corporate funders might want more detail, but not 20 pages. See if you can impress them with no more than four pages.

Make it a gratitude report

Donors want to feel good about giving to your nonprofit. Think of this as a gratitude report. You may want to call it that instead of an annual report.

Focus on thanking your donors for their role in helping you make a difference. Get inspired by these examples that celebrate the donor.

[Oregon Zoo Gratitude Report](#)

[What's in my Mailbox | "Annual Report"...or "Gratitude Report?"](#)

How are you making a difference?

The theme of many annual reports is look how great we are. [Are You Boring Your Donors By Bragging Too Much?](#)

They also include a bunch of boring lists, such as the number of clients served. You need to share specific accomplishments that show how you're making a difference.

Focus on the **why** and not the what. Something like this – *Thanks to you, 85% of the students in our tutoring program have improved their reading skills and can now read at their grade level.*

Phrases like *Thanks to you* and *because of you* should dominate your annual report.

Tell a story

Donors love to hear about the people they're helping. You can tell a story with words, a photo, or a video. Share a success story.

For example – *Leah, a third grader at Turner Elementary School, hated reading. She struggled with the words and the worst was when she had to read out loud in class.*

“Sometimes the other kids tease me,” she said. “Why do we have to read books anyway.” Then Leah started meeting weekly with Julie, one of our volunteer tutors. It was a struggle at first, but thanks to Julie’s patience and encouragement, Leah’s doing much better with her reading. She even requested a book for her birthday.

Make it visual

Your donors are busy and don’t have a lot of time to read your report. Engage them with some great photos, which can tell a story in an instant. Choose photos of people participating in an activity, such as Julie helping Leah with her reading.

Use colorful charts or infographics to highlight your financials. This is a great way to keep it simple and easy to understand. Include some quotes and short testimonials to help break up the text.

Be sure your report is easy to read. Use at least a 12-point font and black type on a white background. A colored background may be pretty, but it makes it hard to read. You can, however, add a splash of color with headings, charts, and infographics.

Write as if you’re having a conversation with a friend

Keep out the jargon. Most of your donors don’t use words like underserved or at-risk, and neither should you. Use everyday language such as – *Because of you, we found affordable housing for over 100 homeless families. Now they no longer have to live in a shelter, a motel, or their cars and have a place to call home.*

Write in the second person and use a warm, friendly tone. Use **you** much more than we.

Plan ahead

One problem with annual reports is organizations send them out months after the year is over and by that point the information is outdated.

Yes, putting together an annual report can be time-consuming. One way to make it easier is to set aside a time each month to make a list of accomplishments. This way you’re not racking your brain at the end of the year trying to come up with this list. You can just turn to the list you’ve been working on throughout the year.

You also want to create a story and photo bank and you can draw from those when you put together your annual report.

Of course, a shorter report or an infographic postcard will help ensure your 2018 report doesn't arrive in your donor's mailbox the following spring or later.

Rethink your annual report to make it a better experience for everyone. Read on for more information about creating a great annual report.

[NONPROFIT ANNUAL REPORTS: 7 BEST PRACTICES \[TEMPLATES\]](#)

[7 Tips for Creating an Effective Nonprofit Annual Report](#)

[8 Annual Reports We Love](#)

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