

# Communicating Financial Information and Evidence



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“Simplicity is the ultimate  
sophistication”

– Leonardo da Vinci

# Which is the Better Way to Explain the Concept of Present Value to a Jury?

## Like This?

$$PV = \frac{C_1}{(1+r)^n}$$

## Or Like This?

- Retail Price of one gallon of milk:
  - 1973: 43 cents
  - 2013: \$3.19
- Retail Price of Hershey's Milk Chocolate Bar With Almonds, 4.25 oz:
  - 1973: 25 cents
  - 2013: \$1.48

# Your Goal is to **Communicate**

The ability to document and integrate evidence in a compelling manner starts with clarity in your own mind about exactly what information you want to convey.

If you can't very simply define what you are going to say, you are not yet ready to write.

# Key Points

**Purpose**, **scope**, and **conclusion** should all be determined before you start writing.

Every word, number, or chart you use should be **relevant to your purpose**, **within your scope**, and **supportive of your conclusion**.

# Key Points

- Ideas that you want to communicate need to flow logically and be connected
- Points made with strength and clarity do not need embellishment.
- Don't assume knowledge on the part of your reader – clearly show them what you need them to know.
- Be brief and concise

# One More Time, for Emphasis

The key to a good presentation is not the technique, style, tips, or tricks that you use.

The key is actually understanding what it is you are trying to say before you set out to say it.

# Numbers are Just Symbols

Numbers are a symbolic way to express your thoughts, just as words, charts, and pictures are.

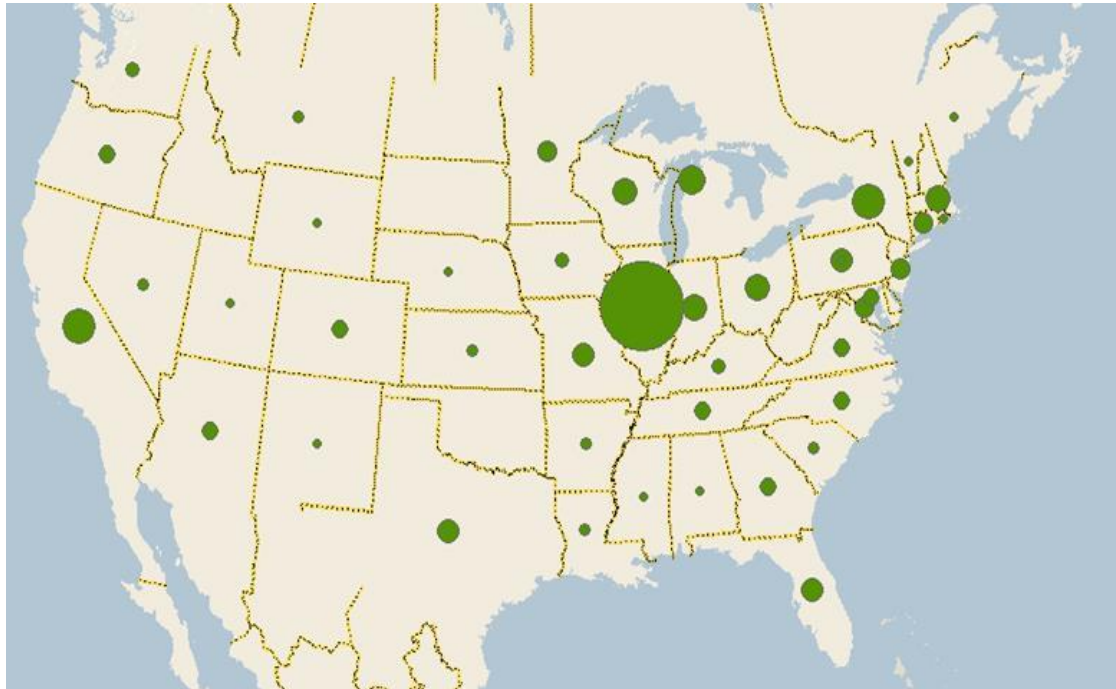
Your emphasis needs to be on the thoughts themselves, not the tools used to express them.



# Which of These Better Communicates a Thought ?

“64% of customers are in Illinois”

or



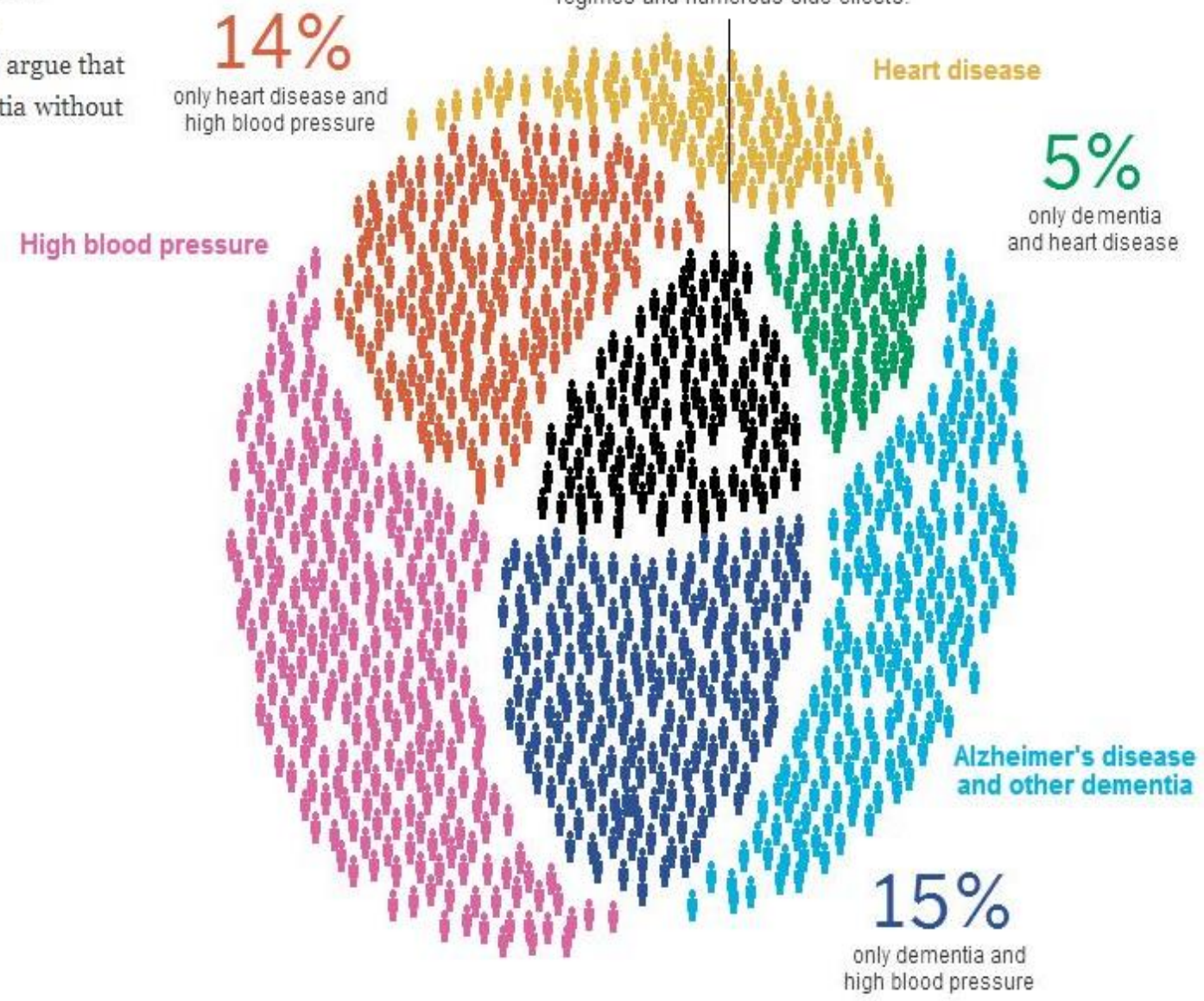
# Graphical Displays Should:

- Reveal Data
- Cause the reader to think about the main message, not the fancy design or technique
- Be credible and not distort the data
- Effectively present a lot of information in a way that can be quickly understood and absorbed
- Clearly and simply explain complex relationships

# For the Elderly, Diseases That Overlap

Researchers are beginning to focus more intently on the overlaps and possible interconnections, and some scientists argue that it may not be possible to treat dementia without treating vascular problems.

**9%** have all three  
Treating these patients is extremely difficult because of complicated drug regimes and numerous side effects.



Your Tools to Communicate Well Are:

Clarity

Integrity

Intelligence

Attractiveness

# Clarity

- Begin with a fresh slate and the idea that you want to communicate
- Always keep the big picture in mind
- Stay focused and brief
- Identify the single core message of each slide, chart, table, or statement
- Amplify by simplifying
- Images can be powerful, efficient, and direct
- Design is about communication, not decoration or ornamentation

# Integrity

- Consistency of actions, values, methods, measures, principles, expectations, and outcomes
- The honesty and truthfulness or accuracy of one's actions

Do not distort or misrepresent your data

# Intelligence

- The skilled use of reason
- The ability to apply knowledge to manipulate one's environment or to think abstractly as measured by objective criteria
- The act of understanding

# Attractiveness

- A design that starts at the beginning and considers topic, objectives, key messages, and audience
- A narrative which is illuminating, engaging, and memorable - people want a story, not a stream of numbers
  - The use of seemingly unrelated pieces of information to form and articulate the big picture
- Presented in a way that your audience will get it



# What Helps to Make a Financial Presentation Attractive:

- The layout is good
- The choice of font and font size makes the material easy to read
- There is a good balance between the text and illustrations
- The presentation style is consistent (headings, text, layout).
- It is obvious where the reader has to start, and each section follows clearly from the last
- The text is convincing
- Everything is labeled or titled
- Material is referenced and easy to validate

# More Spreadsheet Tips

- Keep scale and units of measure consistent
- Precision (decimal points, etc.) is not worth obscuring the message for
- Spreadsheets should flow down and to the right. Key information should be near the lower-right corner
- Empty space is useful – don't cram
- Use **bold** and **colors** to highlight key ideas
- Annotate and comment when helpful
- Accuracy with words is just as important as accuracy with numbers
- Do not clutter with visual effects that don't add information
- Omit or hide meaningless data
- Check your work

# Recap

- Let the data speak for itself – don't crapify it.
- Develop persuasive content by defining your big idea and clearly stating it
- Use storytelling principles and structure to engage your audience
- Visuals should convey instant meaning
- Emphasize what is important and then eliminate the rest
- Consider your audience – present numbers to accountants and visuals to almost everyone else
- Get to the point and stay on topic

# Remember

The only thing that matters in effective communication is what the audience understands and remembers.



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