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# Charity Finance

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# Coming up for air: Respite for charities as SORP beds in

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*Charities and their auditors have made great progress in getting to grips with new accounting rules, though financial reporting challenges – both old and new – remain, finds Diane Sim.*

WITH THE now not-so-new SORP in its second year and the next widely anticipated for 2022, charities seem to have at last entered a period of relative reporting calm. The benefits of familiarity have begun to filter through and this year's reporting cycle has undoubtedly been easier than last year's, according to the vast majority of charities and auditors participating in this year's survey.

A glance to the near horizon, however, confirms that this is not the time for charities or their auditors to rest on their laurels. New reporting requirements on fundraising and the gender pay gap have come into force, while a major overhaul of the data requirements of the Charity Commission's annual return come into effect next year, followed by the requirement to file digital VAT returns in 2019.

At the same time, changes to FRS 102, on which the charities SORP is based, and to International Financial Reporting Standards (IFRS), on which FRS 102 is based, are giving – for those who care to look – some early pointers on what to expect from the next set of rules.

### CHARITY AUDITORS

Figure 1 overleaf ranks audit firms by the audit fees of their charity clients. The data is derived primarily from the 824 charities that participated in *Charity Finance's* 25th annual survey of the charity audit market and related reporting issues.

The survey data is supplemented by audit data from the top 350 UK

charities based on income, which *Charity Finance* routinely tracks for the purposes of compiling the Charity 100 and Charity 250 Indexes. This results in coverage of 1,139 charities, which collectively have annual income of £27.5bn and pay audit fees of £26.9m.

Coverage of the larger UK charities is therefore comprehensive, while coverage of charities with annual income of less than £21.2m – the cut-off point for membership of the Charity 250 Index – is reasonably representative.

Productions, Certitude Support and the Virunga Foundation.

“We continue to grow our charity practice with a real focus on sub-sectors. We now have over 90 current INGO [international non-governmental organisation] clients and we act for many schools and academies, membership organisations, social and healthcare providers, and arts, culture and heritage organisations. Different sub-sectors have their own specific opportunities and challenges, and focusing work with teams that

“ Together, the top three firms account for almost a third of charity audit fees included in figure 1 ”

Charities with annual income of over £10m represent 38 per cent of all audit clients listed in figure 1, while the remainder is split between charities in the £5m-£10m income bracket (11 per cent), charities in the £1m-£5m income bracket (27 per cent), and charities with income of below £1m (24 per cent).

Crowe Clark Whitehill tops the league table for the ninth year running with audit fees of £3.3m from 95 charity clients. Together those clients represent annual charitable income of £3.7bn. According to Pesh Framjee, who heads up the not-for-profit team at Crowe: “It has been another good year for new charity audit wins, which include Eton College, BRE Trust, Help for Heroes, Glyndebourne

have real interest and expertise adds real value.”

The top three positions in the ranking have remained the same this year, with PwC in second place with audit fees of just under £2.8m from 32 charity clients, and Grant Thornton in third place with audit fees of £2.6m from 34 charity clients. Together, the top three firms account for almost a third of audit fees in figure 1.

The composition of the top ten players remains pretty stable, with just two new entrants and exits. Kingston Smith and Sayer Vincent move into positions 9 and 10 respectively; these were occupied last year by Moore Stephens and public audit bodies, which move into positions 12 and 11 respectively.

The big mover in the top ten is Deloitte, which moves up four places into position four, with audit fees of £2.2m from 22 charity clients. Over the last few years it has won several large new audit clients, including the Charities Aid Foundation from KPMG and the Wellcome Trust and the Royal British Legion from PwC. These big

wins are now reflected in the ranking.

According to charities and not-for-profit-group head Reza Motazed: “Deloitte continues to attract new audit clients, with recent wins including the British Medical Association and the International Planned Parenthood Federation. Our dedicated unit for charities and not-

for-profit organisations combines scale and specialisation, and the fact that we use the same software as our global member firms means that we can offer large international clients an integrated, seamless service.”

The “Big Four” accountancy firms – namely Deloitte, EY, KPMG and PwC – have a significant presence in the charity audit market, accounting for 23 per cent of audit fees listed in figure 1. Of the four, PwC leads with a 10.4 per cent share, followed by Deloitte with 8.3 per cent, KPMG with 4 per cent and EY on less than 1 per cent.

Losing a large audit client is not always as bad as it may seem for a Big Four firm. As Jill Halford, director of PwC’s charity audit practice, points out: “Losing the external audit contract for Wellcome Trust to Deloitte enabled PwC to take on the internal audit work, which Deloitte – as the new external auditor – could no longer undertake.”

## SORP COMPLIANCE EASIER SECOND TIME ROUND

The vast majority of charities surveyed this year adopted the FRS 102 SORP, based on FRS 102, for accounting periods starting in 2015. They are therefore in the second year of implementation.

This was in many cases in preference to the FRSS E SORP, based on the Financial Reporting Standard for Smaller Entities, which had fewer disclosure requirements but a shorter shelf life. In use for just one year, it was then superseded by a new section of FRS 102 for small entities, which took effect for accounting periods beginning on or after 1 January 2016.

There is general consensus that use of the FRS 102 SORP has become much easier in the second year. This has been partly down to the publication of *SORP Information Sheet 1 on Implementation Issues* by the Charity Commission and OSCAR, the Scottish charity regulator, in April 2017. “Familiarity has made things easier second time around,” says Sudhir Singh, partner and head of not-for-profit at MHA MacIntyre Hudson. “There has been greater clarity and improved or simplified disclosure of some elements that were new last year, such as disclosures concerning key

**FIGURE 1: TOP 40 AUDIT FIRMS USED BY SURVEYED CHARITIES, RANKED BY AUDIT FEES**

	Audit firm (2016 rank in brackets)	Audit fees (inc VAT) £	Income of audit clients £	No. of clients
1	Crowe Clark Whitehill (1)	3,293,072	3,726,435,972	95
2	PwC (2)	2,801,580	4,506,396,000	32
3	Grant Thornton (3)	2,582,240	3,354,370,490	34
4	Deloitte (8)	2,244,700	2,676,494,000	22
5	BDO (5)	1,839,554	2,296,554,979	43
6	haysmacintyre (4)	1,637,222	1,440,731,076	80
7	RSM (7)	1,390,851	1,170,035,013	38
8	KPMG (6)	1,130,840	1,205,058,067	24
9	Kingston Smith (11)	1,037,598	791,306,112	55
10	Sayer Vincent (12)	932,620	606,176,801	59
11	Public audit bodies (10)	899,000	1,045,832,000	14
12	Moore Stephens (9)	794,238	549,110,182	47
13	Buzzacott (13)	610,558	597,494,284	20
14	PKF Littlejohn (22)	466,838	311,348,171	27
15	Saffery Champness (16)	388,563	324,354,828	13
16	Mazars (19)	378,775	273,296,075	15
17	BHP (17)	265,626	119,950,152	23
18	HW Fisher (20)	258,892	97,433,049	24
19	PKF Cooper Parry (39)	228,953	113,426,907	4
20	Henderson Loggie (30)	224,316	223,098,282	17
21	MHA MacIntyre Hudson (14)	223,852	95,443,644	21
22	Broomfield & Alexander (-)	218,916	89,032,476	36
23	Knox Cropper (21)	187,440	256,391,564	3
24	Lovewell Blake (28)	183,070	59,409,768	38
25	Russell New (-)	179,350	55,399,729	29
26	Scott-Moncrieff (15)	175,335	122,516,056	14
27	MHA Monahans (26)	156,290	55,441,351	25
28	Bishop Fleming (25)	148,108	56,733,854	20
29	Price Bailey (18)	143,546	77,974,356	19
30	James Cowper Kreston (24)	142,348	57,958,174	14
31	PKF Francis Clark (31)	108,000	62,268,106	5
32	PEM (-)	93,938	25,599,268	10
33	Goldwins (33)	87,369	18,300,169	23
34	Chariot House (-)	83,747	33,951,311	16
35	Godfrey Wilson (35)	82,908	16,773,456	30
36	Kreston Reeves (40)	79,863	29,599,798	11
37	Griffin Stone Moscrop (32)	78,321	32,276,877	12
38	Larking Gowen (-)	71,006	27,294,572	9
39	Critchleys (27)	63,000	51,867,185	3
40	Tait Walker (-)	61,230	31,688,787	9
	Other firms	934,785	862,044,524	106
	<b>Total</b>	<b>26,908,458</b>	<b>27,546,867,465</b>	<b>1,139</b>

management personnel and financial instruments.”

Neal Gilmore, charities principal at HW Fisher, adds that for most clients it has been a year of enhancement to reporting rather than implementing major change. “Under FRS 102, there is a significant amount of additional material required in the trustees’ report. We have seen many clients revisiting how this information is presented, for example by including key performance measures earlier in the report, and trying to improve the readability.”

The same is true for charity clients north of the border, according to Gillian Donald, partner at Scott – Moncrieff. “Last year was mainly about understanding the technicalities. This year there has been more focus on finessing the narrative reporting to support the financial information, with the intention of improving the impact.”

“ There is still some confusion around income recognition criteria in areas such as legacies and pledges ”

**SOME CHALLENGES REMAIN**

While progress in getting to grips with the FRS 102 SORP has improved markedly, there are clearly still areas where compliance is considered to be challenging. There are, for example, areas where the rules seem ambiguous and require further clarification.

According to Gilmore at HW Fisher, discounting long-term liabilities is one such area. “It is not easy to arrive at an appropriate discount factor all the time, and there is very little guidance on this. For example, would you base the discount rate on the cost of borrowing funds in the absence of freely available funds,

or would you use a rate based on the opportunity cost of releasing some of your investments?”

BDO partner Fiona Condron highlights the ambiguity around disclosure requirements for “cross-border charities where the regulations appear to require items which are then not included in the example report and accounts, such as parent-charity disclosures.”

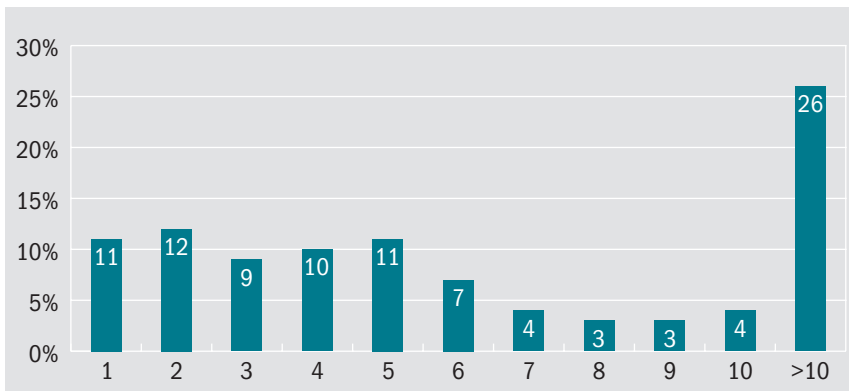
She adds that another area where a lack of clarity can give rise to confusion is related-party transactions. “The required disclosures continue to challenge many charities and there is still often a debate around what *must* be reported and what *should* be reported.”

Richard Weaver, head of charities and not for profit at haysmacintyre, says that the change in the income recognition criteria from “virtually certain” to “probable” can lead to timing differences between the recognition of income and the receipt of cash. “There is still some confusion around this in areas such as legacies and pledges, which needs to be explained in the financial statements.”

Indeed it is often the financial narrative that accompanies the figures that is most challenging. This is particularly the case with technically complex areas like pensions and

**FIGURE 2: NUMBER OF YEARS WITH AUDITOR (% RESPONDENTS)**

■ Over a quarter of charities have used the same auditor for more than 10 years ■



**FIGURE 3: AUDIT FEES BY CHARITY INCOME BAND**

Income band (£m)	No. of charities	Highest fee £	Lowest fee £	Median Fee						
				This year	Last year	2014	2012	1 year change %	3 year change %	5 year change %
<0.1	49	7,380	360	1,080	1,095	1,650	1,500	-1	-35	-28
0.1 - 0.25	46	10,832	185	2,185	2,100	2,466	2,622	4	-11	-17
0.25 - 0.5	77	15,000	350	3,740	4,000	3,441	3,888	-7	9	-4
0.5 - 1	98	14,712	1,080	5,677	6,453	5,419	6,000	-12	5	-5
1 - 2	149	20,448	2,520	7,800	7,875	7,225	7,800	-1	8	0
2 - 5	159	32,000	3,064	13,020	10,833	10,440	10,080	20	25	29
5 - 10	122	33,118	4,900	13,351	14,400	13,820	14,056	-7	-3	-5
10 - 25	121	80,000	4,380	22,080	22,000	20,000	21,440	0	10	3
25 - 50	185	110,000	3,800	34,000	33,300	34,000	33,000	2	0	3
50 - 75	48	179,000	19,000	46,500	43,000	44,000	45,000	8	6	3
75 - 100	27	172,000	13,800	48,000	43,900	46,000	59,500	9	4	-19
>100	58	700,000	28,800	87,000	89,333	102,500	87,000	-3	-15	0

financial instruments, or areas where a certain amount of judgement is required such as statements on going concern or reserves policy.

Neil Finlayson, head of not for profit at Kingston Smith, says that the impact and the reporting of defined-benefit pension scheme deficits has been a particular problem for some charities, particularly where these deficits have increased or are being reported for the first time. “The reporting of these deficits within the framework of a charity’s reserves policy is not fully understood and often causes problems. Additionally, the sensitivity of disclosure has been heightened by the requirement to have a policy note of going concern which covers any significant risks and how they are mitigated.”

Arguably the most demanding area to report on is financial instruments, which many auditors concur is virtually impossible to explain adequately to lay readers of the accounts, as PKF Littlejohn partner Alastair Duke points out. “Identifying financial instruments as basic or non-basic, which is fundamental in terms of how the instruments are valued, has emerged as a challenge.”

A related problem highlighted by Liz Hazell, who heads up of the not-for-profit group at Saffery Champness, is that “very few charities have complex financial instruments and therefore do not see the value of the reporting, which is required on even the basic instruments. This is the area where we get the most pushback from clients.”

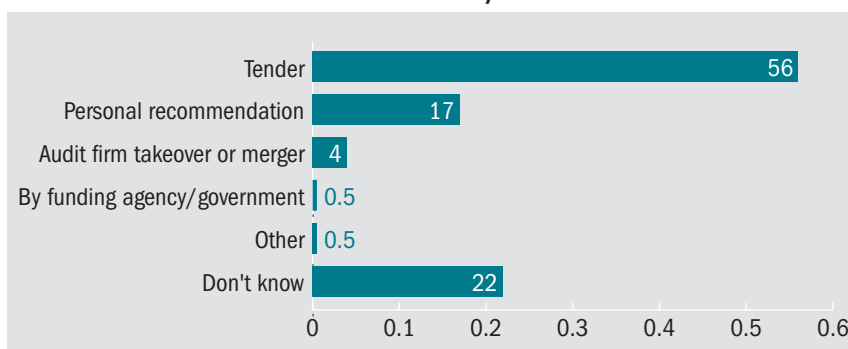
There is also evidence of resistance amongst charities and their auditors to reporting which simply adds length, rather than clarity, to the accounts. Nick Sladden, head of charities at RSM, highlights the practical issues arising from the need to have multiple columns for different types of funds.

“While this is a fundamental tenet of charity accounting, we have always questioned the need to include similar detail in comparative figures which can extend some financial information to eight columns. As well as being impractical, this does not necessarily improve the clarity of reporting.”

Hazell at Saffery Champness agrees. “For some charities the accounts are much longer now with more

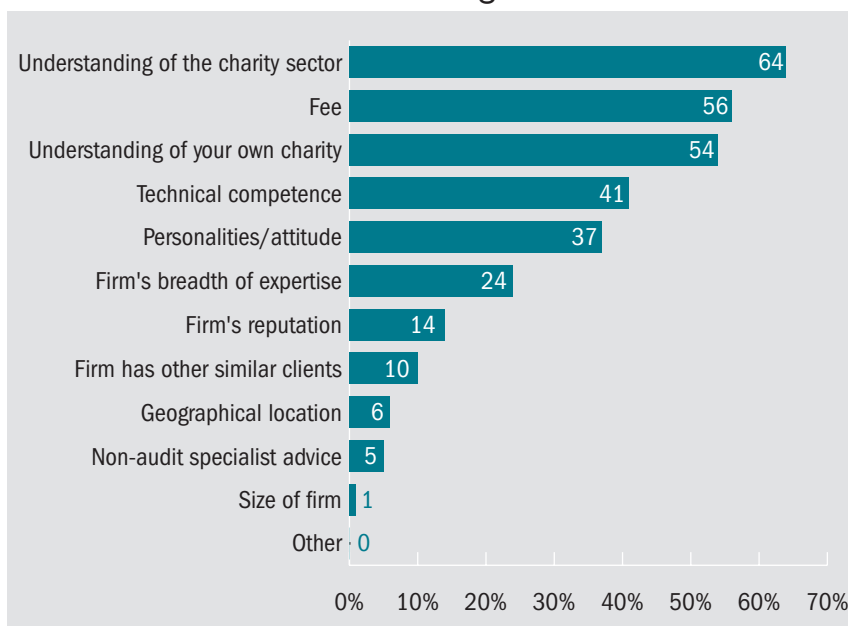
**FIGURE 4: HOW WAS YOUR AUDITOR CHOSEN? (% RESPONDENTS)**

■ The majority of charity auditors were selected by tender ■



**FIGURE 5: WHAT FACTORS WERE IMPORTANT WHEN CHOOSING YOUR AUDITOR? (% RESPONDENTS)**

■ Charities place the highest value on an auditor’s understanding of the sector ■



disclosure, especially of comparative information. While this is technically correct, it doesn’t always help to improve transparency, particularly when it makes the information excessively long.”

**NEW REPORTING REQUIREMENTS**

Despite these ongoing challenges, there is a general sense that charity reporting requirements have settled down at last. “Having gone through the FRS 102 conversion process last year, it has been a year of coming up for air,” says Sladden at RSM.

It is not, however, a time for

charities or their auditors to rest on their laurels, as there are – as ever – a host of new reporting requirements on the horizon. The most current of these is the requirement in the Charities (Protection and Social Investment) Act 2016 for charities that are audited to include new statements in the trustees’ annual report on their fundraising practices and arrangements with professional fundraisers or commercial participators. This comes into effect for accounting periods beginning on or after 1 November 2017.

Duke at PKF Littlejohn explains: “The information required includes the charity’s approach to fundraising;

whether or not they work with any commercial participators and how they monitor their activity; how they deal with complaints; and how they ensure protection of the public, including vulnerable people, from intrusive or persistent approaches.”

Most auditors surveyed this year are of the opinion that these requirements will not be particularly onerous, and many charities have voluntarily started to include more narrative disclosure in the trustees’ annual report on the governance of their fundraising function.

Also imminent, though arguably less welcome, is the Charity Commission’s proposed changes to the annual return for 2018. This will be finalised in March 2018, following a two-month consultation period which ended last month, and will apply to charities’ financial years starting on or after 1 January 2018. Finlayson at Kingston Smith states: “The proposals for the new annual return are a cause for concern as the information requirements are potentially far more onerous than they are in the current version.”

The Charity Commission describes its proposed changes as “the most significant since 2013”. Its stated aim is to minimise the amount of information that smaller charities are required to file and target more detailed questions at larger or more complex charities, so that “most charities will be able to complete the annual return more quickly and easily”.

Larger and more complex charities will, however, have to answer new questions across income, expenditure, managing charity assets and safeguarding. The main concern, voiced by Sayer Vincent partner Jonathan Orchard, is that “additional financial information – not currently required under the SORP – may be required in the new annual return”, creating a new reporting burden.

And, as Hazell at Saffery Champness points out, larger charities will also be hit this year by new gender pay gap reporting. This requires charities employing 250 or more staff to publish on their websites and on a government website the following information: the mean and median

## “ There will not be a new SORP until 2022, but there may be an Update Bulletin before then ”

gender pay gap in hourly pay and bonus pay; the proportion of men and women receiving bonuses; and the proportion of men and women in each quartile of the organisation’s pay structure.

The understanding is that there will not be a new Charities SORP until 2022. However, there may be an Update Bulletin before then to reflect changes that are being made to FRS 102. A case in point is the new rules on gift aid payments, which will come into force for accounting periods beginning on or after 1 January 2019.

The Financial Reporting Council has recently issued Financial Reporting Exposure Draft (FRED) 68 in response to differing approaches to the accounting and presentation of profits payable from subsidiary companies to charities under gift aid. Duke at PKF Littlejohn explains: “FRED 68 proposes that payments from subsidiaries are treated on a cash basis, not brought in at the year-end as a debtor, unless there is a deed of covenant in place. Where charities have previously included the profits payable as a debtor, their balance sheets will take a one-off hit under FRED 68 to reflect the change in accounting policy.”

The new SORP may seem a long way off, but as changes to the new SORP will mirror changes to FRS 102, charities would be well advised to keep up to date with changes to FRS 102 and even the International Financial Reporting Standards (IFRS) on which FRS 102 is based.

Jill Halford at PwC highlights three new International Financial Reporting Standards, which in due course are likely to have an impact on charity reporting. The first two of these, which take effect for accounting periods beginning on or after 1 January 2018, are IFRS 9 on financial instruments and IFRS 15 on revenues from contracts with customers. The third is IFRS 19 on leases, which takes effect for accounting periods beginning on

or after 1 January 2019.

“It remains to be seen how these standards will fall in line with UK reporting, but they will likely have implications for charities with investment income, significant contract income and property portfolios,” says Halford.

Meanwhile, according to Singh at MHA MacIntyre Hudson, charities should start preparing now to comply with HMRC’s Making Tax Digital (MTD) programme. “Although this has been deferred for corporation tax, it will come into effect for VAT for periods commencing on or after 1 April 2019 and there will be no exemption for charities.”

What this means is that all charities with annual income over £85,000, of which there are around 40,000 in the UK, will have to file digital VAT returns from April 2019. Following a meeting with HMRC in October, the Charity Tax Group has said that the changes will be piloted from spring 2018, and that charities will need to keep all prime records in an electronic format and include any adjustments made.

Charities have been made exempt from the requirement to file digital corporation tax returns. However, there has been concern that their trading subsidiaries have not, although this requirement has been deferred to an unspecified date.

In addition to the new regulations that impact directly on charities, there are also new rules in the pipeline affecting the auditing profession that will impact – albeit indirectly – on their charity clients. Condrón at BDO notes: “The introduction of new International Auditing Standards (IASs) and the revision of Practice Note 11 on auditing charities will result in an enhanced focus on the part of auditors on the consistency of the annual report and other information within the financial statements.

“These new requirements will mean that charities need to ensure they are

**FIGURE 6: DO YOU HAVE ANY OF THE FOLLOWING PROBLEMS WITH YOUR AUDITOR?**

Audit firm	No. of charities responding	No. of charities reporting problems	No. of problems reported	Poor understanding of own charity	Poor understanding of charity sector	Fees too high	Lack of technical competence	Staff changes	Slow to deliver	Poor liaison	Lack of access to partner	Other
BDO	14	6	13	1	0	2	2	4	2	1	0	1
BHP	23	4	5	0	0	2	0	0	1	2	0	0
Bishop Fleming	20	2	2	0	0	0	1	0	1	0	0	0
Broomfield & Alexander	36	1	2	0	0	1	0	0	0	1	0	0
Buzzacott	10	0	0	0	0	0	0	0	0	0	0	0
Chariot House	16	0	0	0	0	0	0	0	0	0	0	0
Crowe Clark Whitehill	42	12	18	1	0	7	0	6	2	1	1	0
Godfrey Wilson	30	0	0	0	0	0	0	0	0	0	0	0
Goldwins	23	2	2	0	0	1	0	0	1	0	0	0
Grant Thornton	10	4	11	2	1	3	1	2	1	1	0	0
Griffin Stone Moscrop	12	1	1	0	0	1	0	0	0	0	0	0
HW Fisher	22	3	6	0	0	2	0	1	2	0	0	1
haysmacintyre	58	6	8	0	0	1	0	1	3	1	1	1
Henderson Loggie	14	1	1	0	0	1	0	0	0	0	0	0
James Cowper Kreston	14	2	2	0	0	0	1	0	1	0	0	0
Kingston Smith	43	1	2	0	0	1	0	1	0	0	0	0
Kreston Reeves	11	0	0	0	0	0	0	0	0	0	0	0
Lovewell Blake	38	3	3	0	0	2	0	0	1	0	0	0
MHA MacIntyre Hudson	20	5	8	0	0	1	0	3	2	0	1	1
MHA Monahans	25	2	3	0	0	2	0	1	0	0	0	0
Moore Stephens	46	4	13	2	2	0	2	2	1	2	1	1
PEM	10	1	1	0	0	0	0	0	0	0	0	1
PKF Littlejohn	26	10	12	0	0	3	0	3	4	0	1	1
Price Bailey	19	4	4	0	0	1	0	1	1	0	1	0
RSM	14	5	9	0	0	3	0	3	1	1	0	1
Russell New	29	1	1	0	0	1	0	0	0	0	0	0
Sayer Vincent	53	5	8	0	0	2	0	2	2	1	1	0
Scott-Moncrieff	12	5	6	1	0	2	0	1	1	1	0	0
Other firms	134	31	64	6	4	12	3	11	11	10	5	2
<b>Total</b>	<b>824</b>	<b>121</b>	<b>205</b>	<b>13</b>	<b>7</b>	<b>51</b>	<b>10</b>	<b>42</b>	<b>38</b>	<b>22</b>	<b>12</b>	<b>10</b>

robust in determining the source of all data and statistics they use in the annual report.”

### NON-AUDIT SERVICES

Most of the accountancy firms surveyed this year report strong demand for non-audit services. Specialist tax advice, for example, has been frequently requested by charities working in the arts, heritage and culture sector, as they get to grips with the new tax reliefs available for theatres, orchestras, museums and galleries.

New regulatory requirements also drive demand for non-audit services, says Donald at Scott-Moncrieff, and many firms are helping their clients meet the May 2018 compliance deadline for the General Data

Protection Regulation. “GDPR is currently the main issue and we’re integrating this with the updated fundraising standards where relevant. All clients need both legal and technical help and guidance. The bulk of the administration work is falling on IT managers and we have been encouraging trustees to ensure there is adequate resource and board-level support for the actions required for implementation.”

“For many clients, this is the first big data protection focus for several years, and the current policies which are in place may not be fully effective. There is a change of culture required to be much stricter around individual responsibility for the use of data.”

Amanda Francis, managing partner at Buzzacott, observes: “Governance

has long been a key theme of our non-audit work for charities, and it has remained very much centre stage this year as a result of the high profile collapse of Kids Company and the publication of the new governance code in July.”

Orchard at Sayer Vincent notes growing interest in risk and internal audit work, particularly from mid-sized charities: “We see this as a consequence of trustees wanting more confidence in their charity’s underlying management and control processes. The publication of the new code of governance has also given rise to renewed interest in governance reviews.”

Many observe an increasing tendency for charities to look externally for help with internal audit, mainly due to the diverse range



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of skills required, including very technical areas such as fraud and cyber security. As Sladden at RSM notes: "We are seeing a large number of charities reviewing their internal audit provision, with many moving from an in-house function to an outsourced provider. Additionally, those that currently use an outsourced provider are coming to the market to review the services they receive."

Operational efficiency and ensuring financial viability are also recurrent themes of non-audit advice sought by charity clients, says Sladden. "Finance function reviews and implementation of new IT systems are a significant area of new work for us. The sector, and indeed the public, are waking up to the need to invest in back office

## “ Most of the accountancy firms surveyed this year report strong demand for non-audit services ”

systems which will drive efficiencies in the longer term. There is a sense of needing to spend to save.”

Singh at MHA Macintyre Hudson notes an increase in merger due-diligence work. "The sector does seem to be maturing in that we are seeing strategic mergers rather than rescue restructuring where organisations are facing financial difficulties," he says.

Looking ahead, many auditors are helping their charity clients

to assess the impact on the UK's vote to leave the European Union (EU) on their operations. For those wishing to remain eligible for EU funding, this involves maintaining some sort of presence in Europe, says Orchard at Sayer Vincent. "This may be in the form of alliances with existing European charities or setting up subsidiary charities. Ireland is a favoured location for this due to the common language, legal and reporting frameworks.” ●



**FIGURE 7: SATISFACTION – HOW DO YOU RATE YOUR AUDITOR ON THE FOLLOWING? (PERCENTAGE OF RESPONDENTS)**

Audit firm	Total responses	Charity expertise			Corporate social responsibility			Overall service		
		Good	Average	Poor	Good	Average	Poor	Good	Average	Poor
BDO	14	86	14	0	29	71	0	86	7	7
BHP	23	96	4	0	74	26	0	91	9	0
Bishop Fleming	20	100	0	0	58	42	0	85	15	0
Broomfield & Alexander	36	100	0	0	85	15	0	97	3	0
Buzzacott	10	100	0	0	70	30	0	100	0	0
Chariot House	16	100	0	0	79	21	0	100	0	0
Crowe Clark Whitehill	42	95	5	0	50	50	0	90	8	2
Godfrey Wilson	30	100	0	0	82	18	0	100	0	0
Goldwins	23	100	0	0	81	19	0	100	0	0
Grant Thornton	10	80	10	10	50	40	10	50	30	20
Griffin Stone Moscrop	12	92	8	0	27	64	9	83	17	0
HW Fisher	22	91	9	0	71	29	0	82	18	0
haysmacintyre	58	98	2	0	68	30	2	93	7	0
Henderson Loggie	14	100	0	0	77	23	0	100	0	0
James Cowper Kreston	14	100	0	0	93	7	0	93	7	0
Kingston Smith	43	100	0	0	76	24	0	100	0	0
Kreston Reeves	11	91	9	0	82	18	0	100	0	0
Lovewell Blake	38	100	0	0	82	18	0	97	3	0
MHA MacIntyre Hudson	20	100	0	0	47	53	0	74	26	0
MHA Monahans	25	84	16	0	67	33	0	92	8	0
Moore Stephens	46	94	4	2	63	35	2	89	9	2
PEM	10	100	0	0	70	30	0	100	0	0
PKF Littlejohn	26	96	4	0	77	23	0	85	15	0
Price Bailey	19	95	5	0	89	11	0	89	11	0
RSM	14	100	0	0	57	43	0	85	15	0
Russell New	29	100	0	0	88	12	0	100	0	0
Sayer Vincent	53	100	0	0	80	20	0	92	8	0
Scott-Moncrieff	12	100	0	0	82	18	0	92	8	0
Other firms	134	87	10	3	51	44	5	80	20	0
<b>Total</b>	<b>824</b>	<b>95</b>	<b>4</b>	<b>1</b>	<b>68</b>	<b>31</b>	<b>1</b>	<b>90</b>	<b>9</b>	<b>1</b>

## Charity auditor awards 2017

With over 90 per cent of respondents rating the charity expertise and overall service levels provided by their auditors as “good”, the charities surveyed are clearly satisfied with the audit services they receive. Nonetheless, we have highlighted a few firms as worthy of special mention based on the ratings they have received.

These firms are grouped by the number of clients rating them, on the basis that the larger the sample gets, the harder it is to maintain a consistently high rating. For this reason, firms with fewer than ten ratings have been excluded from the rankings.

### Overall service (30+ responses)

1	Kingston Smith
=2	Broomfield & Alexander
=2	Lovewell Blake
4	haysmacintyre
5	Sayer Vincent

### Charity expertise (30+ responses)

1	Sayer Vincent
2	Kingston Smith
=3	Broomfield & Alexander
=3	Lovewell Blake
5	haysmacintyre

### Overall service (10-30 responses)

=1	Godfrey Wilson
=1	Russell New
3	Goldwins
=4	Chariot House
=4	Henderson Loggie

### Charity expertise (10-30 responses)

=1	Godfrey Wilson
=1	Russell New
3	Goldwins
=4	Bishop Fleming
=4	MHA MacIntyre Hudson

## PRIZE DRAW WINNER 2017

All charities responding to the survey in full were entered into a prize draw for a luxury Christmas hamper. Congratulations to Judy Hooper, finance and admin manager at Pavilion Dance South West, who is this year’s winner.