

Not-for-profit

How we can work with you

Welcome

Crowe Horwath is recognised as a leader in providing audit, accounting and consultancy services to the Not for Profit sector. Our success is founded on giving advice that is well informed and objective. This requires real engagement and a critical approach to the latest wisdom in the marketplace.

To this end all our people are determined to do their best consistently and our structures, procedures and style have been formed to support them in this.

We take pride in building long-term relationships. We believe that really learning about your organisation and what keeps you awake at night is crucial to providing the advice and services you need to achieve your goals. Working together in partnership, we can understand your organisation better and help you navigate the challenges you face; acting as trusted advisers with a genuine interest in your organisation.

We hope this brochure will give you an overview of what we do, how we are different, and how we could work together effectively.

How we can work with you

Crowe Horwath is one of the world's Top 10 audit, accounting and business advisory firms. Independent surveys list us as a leading provider of services to the not-for-profit sector.

We provide sector-focused audit, tax and an extensive range of consultancy services to our Not for Profit clients.

- we provide audit and related services to charities of all sizes.
- we have carried out many special assignments for international non-governmental organisations (INGOs).
- we run a helpline "Ask Crowe Horwath" to assist Not for Profit organisations, special interest groups and voluntary organisations.
- we are recognised globally by statutory and institutional funders, and develop systems to meet reporting needs.
- for a full overview of our services, please turn to page 8.

Expertise and service

The Not for Profit sector and the legislative and operating environment affecting it are constantly changing. Charities are now required to report in accordance with the new Public Benefit Entity financial reporting regime, and there will likely be a similar regime legislated for incorporated societies.

As acknowledged leaders in this field, we contribute to technical and other developments. For example we:

- deliver a programme of sector related events and seminars led by known experts
- provide guidance notes and regular updates
- provide best practice guidance on financial reporting and continue to act as board members, trustees or governors.

This means we understand your organisation from many different perspectives, enabling us to be practical in our advice, and enriching the service we can offer you.

As a firm we are committed to the highest standards of technical expertise and audit quality. We have comprehensive training and support programmes to ensure that our partners and staff are up to date in their professional knowledge, are aware of new and emerging issues, and have the information they need to support them in servicing their clients.

The importance that we place on partner and senior staff involvement in our client work means that we engage with you on a wide range of issues and are seen as a source and sounding board for ideas. Our responses to clients' issues are timely, technically robust and pragmatic, as well as being clear and understandable.

Review and learning from experience are important to us. We have an established programme of internal review, which helps us learn from best practice and constantly improve our performance. We believe that this combination of hands-on demonstrable expertise, experience and personal commitment to clients is what they value and see as unique. More importantly, it results in enjoyable, highly effective relationships that stand the test of time.

Our partners and staff write and present on matters affecting the sector and we are recognised for our thought leadership. Our people have worked for charities in NZ and overseas and continue to act as board members.

Crowe Horwath

Not for Profits comprise
over 40% of our business

40%

We have over 10 partners
who really specialise in this
sector

10

Our clients

We work alongside our clients. Your issues are our issues, and we provide solutions that work for you and your own specific circumstances. We are knowledgeable about and experts in the workings of Not for Profit organisations. But we know that is not enough unless we also take time to understand your needs.

We work with a wide variety of clients in the Not for Profit sector, ranging from small local groups to national and international organisations. In addition to working with mainstream Not for Profit organisations and charities we recognise the importance of understanding specific issues relating to the sub-sectors. We provide teams with specialist expertise and interest to serve these different types of organisations.

Whilst many Not for Profit organisations fall into more than one of the following sub-sectors, you will be able to identify the areas that apply to you.

Sub-selectors	
Arts, cultural and heritage organisations – many of these are visitor attractions with trading arms. Cost structures and income streams are often unique to this type of organisation.	Professional bodies, membership organisations and trade associations – many, but not all, of these are charities. There are special nuances arising from membership and commercial activities.
Faith based organisations – these organisations receive contributions from their supporters in order to advance their faith and beliefs	Research organisations – develop knowledge and intellectual property. They often have long-term commitments and multi-year funding issues.
Grant makers – come in many shapes and forms: some rely on investment income, others raise voluntary income; some are exclusively grant-making while others are also operational.	Schools, academies, industry training organisations and other educational bodies – are dependent on attracting students and tuition fees, and subject to quality standards regulation
Healthcare, emergency relief and social support service providers – enter into contracts and receive fees for providing services. Service providers face many challenges in terms of pricing and cost recovery.	Social housing and economic and community development – have their own accounting and funding requirements and specific issues relating to their property assets.
International non-governmental organisations (INGOs) – work around the globe and often in remote locations. INGOs include many of the characteristics of other Not for Profit organisations but with additional issues arising from the global remit. We also work with the bodies that fund them.	Sports and recreation bodies – earn income from annual registration fees, government sports funding.
Non-departmental public bodies – usually fall into one of the other categories on this list but also face additional public sector requirements and special reporting regimes.	Wildlife, domestic animal and environmental protection – are dependent on publicising issues in order to attract public sponsorship.

We provide an award-winning service to organisations of all types and sizes.

Recognised by funders and regulators worldwide. International

As a leading member of Crowe Horwath International – a network of independent accountancy firms with 650 offices – we are able to help you wherever in the world you may have operations.

Crowe Horwath International has a strong focus on the Not for Profit sector and we are able to offer our specialist expertise globally.

We have a special interest and skill set that is relevant to organisations operating internationally. In addition to our 650 offices, our teams work in many other locations and provide audit and consulting services in countries around the world.

In technical skills we are at the forefront of developments within Crowe Horwath International, ensuring our clients benefit from the most up-to-date advice and the highest quality of tax and audit provision and consultancy throughout the world.

Crowe Horwath International's member firms are committed to impeccable service, highly integrated service delivery processes and a common set of core values that guide our decisions daily. Each firm is well established as a leader in its national business community and is staffed by nationals, thereby offering a knowledge of local laws and customs which is important to clients undertaking new ventures or expanding into other countries.

Our global teams work closely with each other and we are able to deliver an integrated and coordinated service to our clients worldwide. We work with many leading INGOs and funders, providing services to clients operating in over 167 countries.

As a community of hands-on experts, we generate new ideas that are practical and realistic

International

Comprises 167 independent accountancy and advisory firms in more than 100 countries

650 offices

28,000

partners and staff

Ranked among the top ten largest global networks of accounting and advisory service firms

Partners in business

We use the word 'business' advisedly as we believe our Not for Profit clients have all the commercial and other pressures facing private sector businesses. We aim to be your trusted business advisers and experts. We earn this privilege in a number of ways.

Insight

'Partners in business' is a statement of intent that underlines our commitment to our clients and our focus on close working relationships. We achieve this by understanding you and your organisation, your sector and the latest thinking and legislation that shape the markets in which you operate.

With this insight, we can better apply our technical expertise and specialist knowledge to achieve results and recommendations that make sense in your situation. Of course we maintain our independence and rigour. We believe that getting to know you is of paramount importance if we are to achieve our ultimate ambition: to be regarded as your long-term trusted adviser.

Integrity

We aim to be open and transparent in our dealings with clients. This is a vital part of building the trust which supports long-term professional relationships. From the well reasoned advice we give our clients to our fee structure, we ensure that you are able to make informed choices and decisions.

Commitment and continuity

People choose to work for us because they have a genuine interest in the Not For Profit sector which is a major part of our business. They are attracted by our reputation in it and, as a result, we have a high degree of staff continuity. In most of our service areas clients can expect to see the people they know and trust. Equally, clients tend to stay with us for the long haul, confident that we will look after their interests and respond quickly and expertly whenever they need us.

Not for Profit sector, we have worked in the field, faced the same problems and speak your language.

As experienced practitioners in the

Not for Profit Service categories

The diagram on the following page gives an overview of the range of services that Crowe Horwath offers to Not for Profit organisations, so that you can easily see which areas may be of relevance to you.

We have considered the three key areas that most Not for Profits cover:

- Income generation covers all aspects of funding, trading, commercial income generation, fees, contracts, grants and fundraising – in effect, how you raise money and resources for your work.
- Operations, activities and service provision cover the wide array of activities that Not for Profit organisations undertake. This includes advocacy, campaigning, grant making, membership support, training and education – in effect how you use your resources to deliver the objectives of the organisation.
- In the centre sits the management and governance of the organisation, where key decisions are made and resources are managed. Your people who work in the other two areas are usually involved here.

We have chosen to present our key services in this way as many of our clients have said that this is how they intuitively think about their organisations — and we do listen to our clients!

Inevitably, some issues do not fit neatly into these areas so we also consider the horizontal linkages between them. We discuss the key groupings overleaf. If there is something you are looking for but do not see here, you can be confident that we have the skill sets, resources and commitment to deliver all that you may need – locally, nationally and globally.

We would be pleased to discuss this with you in person.

Service Categories

Income Generation	Management and Governance	Operations, activities and service provision
Assurance and compliance		
Responding to enquiries and investigations from regulators and funders		
Taxation Funder and grant reporting Fundraising regulations	External audit Internal audit Financial reporting	Laws and regulations
Tax Planning		
Events, sponsorships and partnerships Trading and retail Gift aid Legacies Other forms of tax-effective giving	Setting up, financing & use of trading subsidiaries GST FBT Employee taxes Operations overseas	Volunteers Expenses Overseas and ex-pat employees
Risk Management		
Risk registers/maps, risk workshops and risk training		
Enterprise-wide risk management		
Internal audit assistance, key controls and system reviews		
Fraud prevention, detection, investigation and forensics		
Performance		
Monitoring and evaluation		
Accountability and benchmarking		
Cost optimisation, budgetary control and effectiveness		
Financial management and information systems		
Planning and strategy		
Strategy reviews		
Staff training and organisational development		
Funding applications Funder/donor liaison	Business planning and reserves strategy Optimising structure Quality management	Location planning Recruitment IT reviews
Change and transformation		
Managing and implementing change		
Process improvements, structure and departmental reviews		
Governance and constitutional reviews Trustee training and leadership workshops		
Strategic alliances and collaborative working		
Mergers and acquisitions		
Due diligence and feasibility studies		
Support services		
Outsourcing and shared services - Payroll, CFO	Investment advisory Recovery and insolvency Company secretarial	

Our Not for Profit services

The depth and breadth of our experience allows us to provide a full range of services that add true value, delivered by real specialists with demonstrable expertise

Assurance and compliance

Auditing is a core service for us. In providing this we do more than sign an audit report – our clients see that we go the extra mile. In this and other compliance services, such as taxation, we bring our understanding of the special nature of your operating environment, the people you work with and the issues you face, to provide a reliable and cost-effective multidisciplinary service.

We help you meet and respond to laws, regulations and funders' requirements worldwide, in a way that adds value to your organisation. Our assurance and compliance services include:

- additional added-value services as part of the audit
- reporting on compliance with funders' requirements
- practical recommendations

Tax planning

Our specialists have much experience

in providing solutions that are workable, pragmatic and realistic. They have seen most of the issues before, yet approach each situation with an open mind, aiming to understand your needs as well as helping you maximise opportunities and mitigate costs. We argue cogently on your behalf and act upon opportunities wherever possible.

Our approach to our tax services is to generate solutions that are proactive, creative and business-focused. Whether corresponding with the tax authorities or advising on the tax consideration of potential transactions we will:

- be creative and ensure that our tax advice supports your business objectives
- 'argue the arguable' when negotiating with the regulators
- advise you on tax developments or planning ideas that can add value or otherwise affect your business.

Risk management

We support your enterprise-wide initiatives with training and implementation assistance. We help our clients with:

- risk identification, assessment, treatment, monitoring and reporting
- the development and roll-out of risk management training programmes across all areas and all levels
- risk profiling workshops using electronic voting tools and techniques.

Performance

World-class organisations achieve quantum leaps in quality and productivity by finding creative insight from 'the best of the best'. Not for Profit organisations can find it hard to identify and adapt best practice models and benchmarks – yet they are vital to succeeding in an increasingly monitored, evaluated and competitive environment.

Our unique, sector-specific tools and resources will help you achieve marked improvements in quality and productivity. We assist Not for Profit organisations with:

- financial and non-financial evaluations
- identifying, recording and reporting on what matters to measure outputs, outcomes and impact
- developing organisation-wide knowledge management and performance measurement.

We understand what drives value for you and work with you to ensure success.

Our hands-on involvement means that our clients are working with true specialists that are proactive and have ready answers to many of the issues facing you.

Multidisciplinary teams provide an integrated and real value added service.

Planning and strategy

These are demanding times for the sector as a whole and it has become self-evident that plans for future strategic development will have to take into account many new factors. We help our clients with the development and review of business plans and strategy. We help clients with choosing the right structures and ensuring they have the right people at the right place, doing the right things in the best way to achieve goals. Our work includes:

- setting strategic objectives and developing the strategic and tactical plan
- methods of motivating staff towards strategic goals
- project planning and implementation.

Change and transformation

Change is constant. It affects all organisations and can come about in many ways. Successful change requires developing strategies to facilitate both the organisational and human side of change. We help you identify what needs to change and how to make it happen. We assist with the review of structures, governance, operations and the effectiveness of different departments, in particular finance functions. We have helped our clients with:

- defining and creating consensus and commitment to the change
- understanding and managing the barriers to change
- understanding and improving individual and team capacity.

Strategic alliances and collaborative working

Not for Profit organisations often need to enter into partnerships, joint ventures and other strategic alliances, sometimes leading to a full merger. We have great experience in the key issues and drivers in this area and have advised and supported on a number of high-profile mergers and alliances. We have a well-trying methodology to:

- set clear goals and consider the options
- decide on the structure, carry out due diligence and obtain any regulatory clearances
- identify a partner who contributes strength, balance and complementary skills.

Support services

Many of our clients see us as a 'one-stop shop' due to our wide range of support services and our ability to deliver them in a co-ordinated and integrated way. Whether you need help with an investigation, setting up a trading subsidiary, shaping your investment or treasury policy, or with outsourcing, you can rely on us for constructive and impartial advice, a quick response and innovative solutions. In all our advice we provide:

- a co-ordinated joined-up service across all disciplines
- an in-depth understanding of the needs of diverse stakeholders
- deliverables that really exceed expectations.

We hope this brochure has given you a clear picture of how we could work with you and support your organisation as you meet your objectives. If you think we can help you, please contact one of our principals or visit our website to meet the team.

The right size, the right skills and right expertise – the right choice

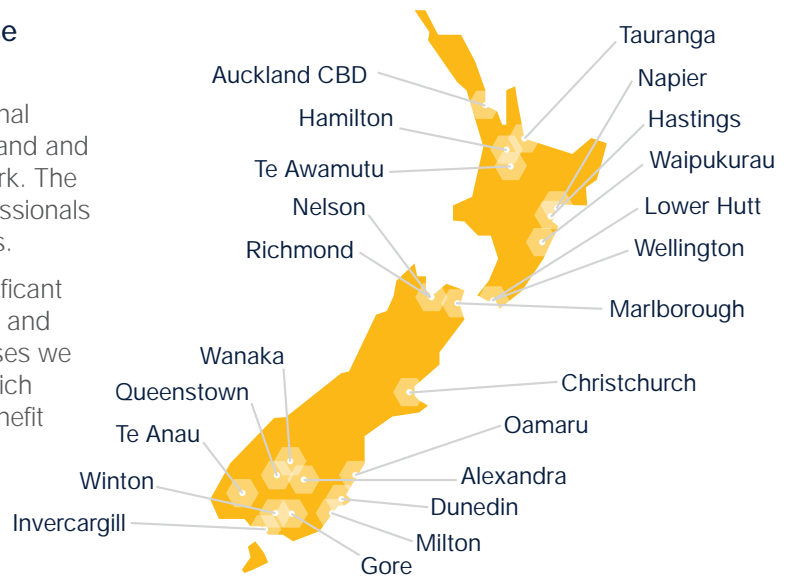
Crowe Horwath New Zealand has the largest professional assurance and accountancy footprint across New Zealand and is a member of the Crowe Horwath International network. The firm in New Zealand and Australia has over 3,000 professionals delivering a full range of audit, tax and advisory services.

With 23 offices throughout New Zealand, we have significant coverage in remote and regional areas, as well as cities and towns, which is unmatched in our industry. In many cases we have offices that are local to our clients' operations, which allow us to minimise travel costs while providing the benefit of local knowledge.

www.crowehorwath.co.nz

@crowehorwath_NZ

Crowe Horwath New Zealand



The relationship you can count on

DISCLAIMER

This document provides general information only, current at the time of production. Any advice in it has been prepared without taking into account your personal circumstances. You should seek professional advice before acting on any material. Risk insurance services are provided by Crowe Horwath NZ Financial Advice Limited, a wholly owned subsidiary of Crowe Horwath (NZ) Limited.

Crowe Horwath (NZ) Limited is a member of Crowe Horwath International, a Swiss Verein. Each member firm of Crowe Horwath is a separate and independent legal entity. Crowe Horwath (NZ) Limited and its affiliates are not responsible or liable for any acts or omissions of Crowe Horwath or any other member of Crowe Horwath and specifically disclaim any and all responsibility or liability for acts or omissions of Crowe Horwath or any other Crowe Horwath member.