



Not-for-profit

Healthcare, emergency relief and
social support services

How we can work with you

We recognise the special needs of healthcare, emergency relief and social support service organisations within the not-for-profit sector.

Not-for-profit organisations play an important role in supporting our public health and welfare systems by providing primary healthcare, emergency relief and social support services. This includes engaging in continuing client support activities, raising awareness of social and health needs and advocating for various cultural groups and their well-being.

Firmly based within communities, and often dependent upon funding and voluntary help at a community level, your organisations need to be especially sensitive to people, their cultures and their health and well-being concerns and must also be able to clearly demonstrate the beneficial impact of your activities. This means you will probably face some of the following challenges:

Competing with each other to have your voices heard

Being in a not-for-profit market does not mean there is no competition. The simple fact of finite resourcing and funding means it is critically important to be recognised and respected by funding providers. Any bids for funding therefore need to be professionally presented and focused on the value of your service.

There is also a need to develop a powerful voice to be heard above the rest, and this may lead to a strengthening of presence through mergers or co-operative arrangements with organisations whose services are complementary to yours. Specialist professional advice and support are needed to ensure strong foundations are built.

Demonstrating the social value of the work you do

Given the nature of your work, its impact on health is often not immediately measurable, and a lack of data, coupled with a clinical or results-based approach to measuring benefits by funders, may mean that social impacts are difficult to convincingly demonstrate. Statements of Service Performance are increasingly becoming an important channel through which to showcase your activities and demonstrate the value of what you do, by linking input costs to service outputs and outcomes.

Knowing and managing your true costs of service

Not-for-profit organisations are often reliant upon volunteer-run services to provide an extra service blanket at minimal or no cost. The real costs are often under-valued and there may be financial and operational challenges where volunteer labour is withdrawn or needs to be redeployed. The need to make the best use of limited resources may be problematic where certain community groups you provide for require services that are less cost effective than others. With increasing demands for efficiency and improvements, it is ever more important to know what the true costs of providing services to each group are.

Negotiating effectively on contracting arrangements

The holistic value of services may not be adequately recognised in contracts for provision of services, and this in turn may lead to constraints on resources. While discussions about the cost of resources are unavoidable, the focus should always be on service improvement, to avoid short-term cost cutting that may store up further costs in the future if services suffer as a result. Understanding the value of the trade-offs is critical to securing contracts that guarantee the continuance of services.

The administrative burden of contract and risk management

Funders are looking for evidence of prudent management and spending. This may take the form of special-purpose audits to ensure funds are put to the purpose for which they were intended, but even if these are not required you will need to demonstrate prudence in the management of service provision budgets and financial risks, such as exposure to unrecognised GST obligations and fraud.

The depth and breadth of our experience allows us to provide a full range of services that adds 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 in a way that adds value to your organisation. Our assurance and compliance services include:

- additional added-value services as part of the audit, for example fraud reviews
- reporting on compliance with funders' requirements
- reporting on internal controls and processes.

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 clearly 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.

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 practices.

Governance and risk management

Plans for future strategic development will have to take into account many new and uncertain factors. We help our clients with the development and review of business plans and strategy, and the identification and management of associated risks. We help clients to choose the right structures and to ensure they have the right people in 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
- advice on organisation and project governance
- developing and implementing risk management frameworks.

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 strong experience in this area and have advised and supported on a number of high-profile mergers and alliances. We have a well-tried 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.

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.

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The relationship you can count on

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