

Taking the Pulse: Update on the Stakeholder Roundtables

1 The proposed Roundtables in context

- 1.1 The Committee agreed at its January meeting that the Secretariat should proceed to organise, with OSCR, the roundtables. The Stakeholder Forum initiated the research phase and the roundtables, planned to take place from the autumn, will provide scope to debate the issues raised by the Forum and broaden and deepen the dialogue with stakeholders about the development of the SORP.
- 1.2 The roundtable format will help to ensure that SORP development pays particular attention to the views and concerns of all stakeholders. In addition to existing financial supporters (donors) and funders the ASB Statement identified a number of other stakeholders:
 - Potential and future funders and financial supporters
 - Lenders
 - Beneficiaries and customers
 - Governments and their agencies, including regulators
 - The public
- 1.3 The feedback from the Forum emphasised the strong desire for dialogue. The main criticism of the Forum being that insufficient time was allowed for debate and dialogue, in an otherwise very well received event.
- 1.4 It remains the general plan to ensure groups of about 20 delegates for each roundtable event, based upon the category of delegate invited to the Stakeholder Forum, but at some events larger groups are expected which will require sub dividing to ensure a fruitful discussion. Each group will be facilitated by the Commission or OSCR with assistance from volunteer members of the SORP Committee.
- 1.5 The roundtables will be a mix of planned events and opportunistic events to enable sufficient coverage of stakeholder groups. For preparers several events are planned across England and Wales, including London, the midlands and the northeast of England. With the assistance of the Department for Social Development (Northern Ireland) and Queens University, an event is to be held in Northern Ireland. OSCR is facilitating the roundtable events in Scotland and has outline plans for three events including a funders event.

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2 Scheduled timing and content of the roundtable events

- 2.1 The delegates to Forum, together with suggestions from partner organisations, will form the basis of the invitation lists to the planned roundtables. To ensure all delegates are conversant with the debate a briefing pack, including the feedback from the Forum, will be provided to each delegate who registers for a roundtable.
- 2.2 The timing of the roundtables is to allow sufficient time for the organisations that have attended the Forum to communicate with members or colleagues to be prepared to give full considered feedback and to be ready to engage creatively in debate at the roundtables. Preparers will be asked to consider the stakeholder needs of the beneficiaries and customers which their charity sector serves.
- 2.3 It remains the intention, where possible, that the feedback of the issues from the roundtables is clearly identifiable to each 'like group', as far as practicable. Alternatively similar perspectives, for example preparers and auditors may be combined. It is intended that the dialogue will clearly identify particular stakeholder needs and provide a clear understanding of the issues as seen by that group. There are six stakeholder groups:
- Preparers (small - under the statutory charity audit threshold)
 - Preparers (large – over the statutory charity audit threshold)
 - Auditors and accounting firms
 - Government funders
 - Organisations representing donors and financial supporters
 - Media and analysts
- 2.4 The views of beneficiaries or users will be assessed indirectly by asking preparers to solicit their views. Similarly the views of the public will be assessed indirectly using the results of the 2008 Charity Commission Study into Public Trust and Confidence in Charities.
- 2.5 Those roundtables that are already scheduled are detailed in the table, table A, below. Arrangements are still being made for events in Scotland, England & Wales and Northern Ireland. Given available resources it is intended of cap the number of events to about 16 in England and Wales with 1 event in Northern Ireland and OSCR hosting 3 events in Scotland.

Table A: Agreed roundtable events

Lead organiser	Stakeholder group(s)	Location and date
Charities' Consortia	Large preparers	London, 10 September
DSDNI/ Queens' University	All	Belfast, 15 September
DSC	Small preparers	London, 20 October
CFDG	All preparers	Bristol, 20 November
CFDG	All preparers	Plymouth, 21 November

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- 2.6 The roundtables will provide an opportunity to reflect upon both the form and content of the annual report and the primary financial statements of all stakeholders. The roundtables will also seek the views of all groups on the degree to which the current SORP fairly balances the burden of disclosure with the need for accountability and transparency.
- 2.7 The content of the roundtables would be a half day format:
- Welcome & a brief overview (15 minutes)
 - Facilitated discussion using pre circulated questions (30 minutes)
 - Technical discussion (75 minutes)
 - ‘Soap box’ – open dialogue (20 minutes)
 - Conclusion and sense of the meeting (10 minutes)
- 2.8 The pre-roundtable questions seeking comments about issues in charity reports and accounts have been formulated by the Commission and OSCR and are attached as appendix A to this paper. To allow as much feedback as possible roundtable delegates will also be given an e-mail suggestions box which will be available for a time limited period to receive further ideas. The time limit is so that all the research evidence is available and has been reviewed prior to the drafting process for the next SORP.

3 Partnership arrangements and proposals for a dialogue with funders

- 3.1 The Commission and OSCR intend to partner with charity umbrella bodies in organising a number of the roundtable venues and invitations. By partnering with the sector, the inclusive nature of the dialogue and the genuine desire for debate is emphasised.
- 3.2 A number of partners are offering free assistance, including rooms and the SORP Committee is asked to note the support given in this way by the Directory of Social Change, Queen’s University Belfast, and the Charities Consortium.
- 3.3 It proved difficult to attract delegates from funders (particularly Government Funders), media and analysts to the Forum event and so it is proposed to offer an alternative structured 60 minute structured interview format with Commission or OSCR staff, or partner organisations seeking views by way of 1:1 meetings. This format is less flexible but may offer a more effective mechanism to obtain a sample set of views. The proposed questions are attached as appendix B to this paper.

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4 Way forward and proposed dates

The series of roundtables and the meetings based dialogue will start from early September with both forms of research completed by March 2009.

Questions:

- 1. Is the SORP Committee content with the roundtable series for stakeholder groups arrangements being developed by the Commission and OSCR?**
- 2. Is the SORP Committee in agreement with the planned format, including the content of the briefing pack and structured questions?**
- 3. Does the proposal that a dialogue take place by way of a structured interview with selected funders, analysts and media representatives meet with the Committee's approval?**
- 4. Does the SORP Committee agree with the proposed structured interview questions?**
- 5. Does the SORP Committee agree that the feedback from the roundtable events should inform the development of the next SORP?**

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Appendix A: Stakeholder roundtable questions (2.5 hour events)

It is not intended to constrain the dialogue by reference to resources or the requirement of SORPs to be part of UK GAAP, or to seek consistency in responses. The emphasis is different between preparers and auditors and funders, analysts and media and so pairs of questions are offered for review.

Each pack will only contain a brief introduction and agenda, feedback from the Forum, and one set of questions as an opener for discussion.

Series A questions are for preparers and auditors; and series B questions for all other stakeholders.

A1 Who do you believe are the main users of the trustees' annual report and the accounts?

B1 What use do you make of charity trustees' annual report and the accounts?

A2 What are the most important things you want to get across in your trustees' annual report?

B2 What are the most important things you want to learn from a charity's annual report?

A3 In terms of the accounts how do you want to report the 'numbers'?

B3 What are the most important things you want to learn from reading the accounts, ie the numbers?

Technical discussion

In a free format conversation delegates can flag issues of concern, preferred solutions or changes they would like to see. (This discussion will be facilitated by reference to the forum feedback if required.)

'Soap box'

This is an opportunity for delegates to offer any other comments and suggestions they wish on charity annual reporting and the accounts.

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Appendix B: Structured interview: Funders, media and analysts (60 minute interviews)

Introduction by the interviewer

The framework for charity reporting and accounting is set out in the charities Statement of Recommended Practice (SORP 2005) which includes the format for annual reporting and, for those charities preparing accruals accounts, the form and content of charity accounts. The SORP Committee has embarked on a research exercise to understand what the users and preparers of charity reports and accounts most want from charity reports and accounts.

The Accounting Standards Board holds that funders and financial supporters are the defining class of stakeholder whose needs should shape charity reporting and accounting. The questions are intended to draw out what you, the defining class of user want (funders, financial supporters and analysts and media who affect donor intentions) and for you to let us know of any other things you want changed in charity reports and accounts.

Questions

1. Do you use charity reports and accounts when deciding on funding a charity (or if an analyst or media when identifying what you constituency needs to know)?
2. If yes, how might charity reports and accounts be improved in your view? (Or if no, why are charity reports and accounts of no help to you?)
3. Smaller charities (income below £500,000) tell us that the reporting and accounting requirements are already too demanding. Would it be a problem to you if small charity reports and accounts were simplified to disclose less?
4. What things do you want or expect to see in a charity's annual report?
5. What things do you want or expect to see in a charity's accounts?
6. When making funding decisions about whether to fund a charity (or if analyst or media, when advising your constituency about funding/ donating to a charity) what is most important to you?
7. Charities tell us that the report and accounts are not really that useful to funders. Do you agree and if so what information do charities provide that better meets your needs and why?
8. Some charities tell us that some information is best with-held because it is commercially sensitive. Would you be happy for charities deciding what they wanted to disclose rather than having to abide by rules telling them what they should disclose?
9. Is there anything you would like to see changed in charity reporting and accounting?