



External Audit Services Tender Brief



For the financial year ending 30 September 2025
Deadline for proposals: 30 June 2025

Background and context

Friends Provident Foundation is a charitable foundation based in York, with a mission related to how the economy and financial systems can support society better. It works towards this through grants, social investments, mainstream investments and building networks and communications. The Foundation takes an integrated approach to its mission and capital base and, alongside grant-making, uses its endowment as a tool for change, including through social investments and shareholder engagement.

Further details are available through our website: www.friendsprovidentfoundation.org.

The Trustees of the Foundation, as part of their commitment to good governance, have decided to re-tender for external audit services, to start from the financial year ending September 2025.

We are currently seeking tender proposals from a number of firms, including the current auditors.

Scope of Services Required

The external audit services will include, but will not be limited to:

- planning, management and execution of annual external audit of the Foundation in accordance with current UK auditing standards;
- providing an audit opinion on the statement of financial activities, balance sheet, cash flow statements and notes;
- reporting on external audit progress to staff and the Resources Committee (RC), including attendance at RC or Trustee Board meetings as appropriate;
- provision of an assessment as to whether the Foundation's financial statements have been properly prepared in accordance with applicable law and accepted accounting practice.

Period of Appointment

The initial appointment will be for three years; Trustees will reaffirm the external auditors each year at their June Board meeting. The current practice is that the audit will be retendered for periodically.

Timings

The Foundation has a 30 September year end. The draft financial statements are prepared by late November/early December. The year-end audit work takes place in October – early January. The annual report and audited financial statements are reviewed in detail by the RC in early February, with the aim of approving them at the Trustee Board meeting in early March.

Tender Process

Please submit a written proposal setting out your capabilities, the key elements of your service and team as well as your proposed fee by 12 noon on Monday 30 June 2025.

We will review the proposals and invite shortlisted firms to make a presentation to the Foundation Director, Finance and Operations Manager and a Trustee, including a question and answer session. These presentations will take place online w/c 14 July 2025.

Proposal requirements and criteria on which a decision will be made:

Details of your firm

- summary of the potential benefits to Friends Provident Foundation of selecting your firm;
- organisation structure as it is relevant to this engagement;
- information regarding relevant sector experience and experience of clients comparable to the Foundation in organisational status and size;
- description of the internal processes used for quality assurance.

Understanding of the Foundation

- demonstrate a clear understanding of the nature of the Foundation's business and the structure of the organisation;
- demonstrate an understanding of the key financial risks that the Foundation currently faces.

Resourcing

- names of your core service team, location and relevant experience;
 - information on how involved the partner will be in the audit;
 - your firm's policy on the rotation of audit partners;
 - time key team members will commit to this appointment;
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- succession planning and steps to ensure staff continuity;
- references for the firm and each core team member.

Approach and transition

- explanation of the external audit approach and how this would be aligned to the Foundation's systems and specific needs;
- Anticipated model – submission of files/ records for off-site working/ on-site working/ anticipated balance between the two;
- details of your reporting arrangements;
- transition plan;
- relevant previous experience with audit transitions of similar organisations.

Independence and governance

- details of your internal practices to ensure compliance with independence requirements and freedom from conflicts of interest;
- confirmation from your firm that it will take all necessary steps to ensure its independence.

Fees

- competitive fee quote to complete the year end audit of the financial statements for 2024/25;
- the basis on which fees will be determined in future years;
- general overview of the schedule and timings of billings.

Other

- a copy of your management representation letter;
- other services available – tax, VAT, social enterprise support, legal guidance;
- pro-active advice you provide clients – examples of what, when and why;
- training and conferences by your firm for charities or relevant to their needs;
- details and amount of your liability cap.

Please also provide details of up to three clients similar to Friends Provident Foundation that we can contact for references.

Please provide your responses to the above questions by 12 noon on **Monday 30 June 2025**, for the attention of Kate Kendall, Finance and Operations Manager to: enquiries@friendsprovidentfoundation.org.uk

If you have any queries, please contact Kate Kendall:

kate.kendall@friendsprovidentfoundation.org.uk. 07596 132442

All information provided will be treated in accordance with our privacy policy, which can be found on our website: www.friendsprovidentfoundation.org/privacy-policy

The Foundation will evaluate the proposals received in terms of:

- fit with the requirements outlined in this letter;
- knowledge and/or experience of the team;
- ability of the team to deliver;
- value for money; and,
- shared values, including approaches taken towards being a responsible employer, encouraging diversity and working in a sustainable way.

Living Wage: Please note that we are a Living Wage employer and expect all staff associated with this tender to also be paid at or above the Living Wage.

Timetable

30 June	Deadline for submission of proposals
w/c 14 July	Presentations
September	Appointment of auditors approved by Trustee Board
30 September	Year End – new contract starts