

# David Wortham

## Core competencies/CV

### Consultant Profile:

Name: David Gerald Wortham  
Date of Birth: 10 January 1960  
Qualifications: BA (in Economics) - 1981  
FCA (Fellow of the Institute of Chartered Accountants in England and Wales) - 1985

### Contact details:

Telephone: +44 1647 440691 (landline)  
+44 7967 485066 (mobile)  
Email: empactatraining@gmail.com  
Address: 20 Fore Street, Moretonhampstead, Devon, TQ13 8LL

### Employment history

- 1981 – 1985 – Hay Allen (now Bishop Fleming) Chartered Accountants. Qualified as a Chartered Accountant. Left as audit senior.
- 1985 = 1987 – Hazelwoods, Cheltenham. Audit manager.
- 1987 = 1989 – Canada Life. Internal audit and systems development.
- 1989 – September 2019 - Partner in various evolutions of my general practice, and including:
- Sept 2013 – July 2014 – Interim finance director of Asset Skills, a Sector Skills body (an NPO) for the housing, facilities management, cleaning and related sectors.
- 2006 – present – Director of Rudder Limited, my own company providing training and consultancy services and training to NGOs operating in the developing world and their auditors.
- Nov 2020 – present – Co chairman of Empacta. Empacta is an association of international auditors with a particular focus on the NGO sector.

### Relevant experience/core competencies:

#### Accountancy

- I have worked in general practice for most of my career with a mixed portfolio of charities, small businesses and personal tax clients.
- Since 1990 I have specialised in work with social enterprises and charities in the UK and globally

#### *Auditing:*

- I was actively involved in auditing from 1981 to 2018.
- My audit work (and most of my non-audit work) for at least the last 20 years of that time was exclusively for charities and social enterprises.
- This work has been both UK-based and international.
- It includes thirteen years as a contractor to the international internal audit department of a major international aid organisation, leading and reporting on internal audits mainly in Africa, Asia, Eastern Europe and the Middle East. The reports combined the results of simultaneous financial and operational audits. Ultimately, I undertook assignments at their US headquarters reviewing audit work and reports for presentation to the International Board.

#### *Workshops/lecturing*

I have provided training and consultancy services to some of Europe's largest charities. I have given training to their head office staff in Europe, to hundreds of their implementing partners (local NGOs in the developing world) and to hundreds of auditors of those implementing partners at many workshops around the world over the last twelve years. These workshops have been very well received by the participants.

Topics covered by the training and consultancy work for countless NGOs have included:

- Strategic management (for boards)
- Audit for non-auditors
- Audit for non-auditors and NGO auditors together
- Risk management
- Fraud prevention
- Financial reporting frameworks
- Interpretation of audit reports and management letters
- Internal control systems and financial procedures manuals
- Cost allocation

I have also provided NGO-specific audit training for almost 200 audit firms (see "Auditor Reference Lists" below).

#### *Fraud and Risk Management:*

- All audit work includes the consideration of the risk of fraud and therefore involves the investigation of lower-level fraud or corruption from time to time.
- I have helped to plan, lead and report on specific investigations of actual and alleged fraud at director level in NGOs.
- I have facilitated workshops on risk management and fraud prevention.

#### *Special Audits*

- I have been involved in special audits throughout my career.
- These one-off assignments have included:
  - Reviews of internal controls, either generally or in specific areas
  - Due diligence reporting
  - Reviews of governance up to board level
  - Reviews of managements/staffing structures

### *Financial Management/Internal Controls*

- As a business owner financial management is a key part of my daily life
- I have undertaken paid and voluntary work with NGOs and commercial organisations as Finance Director and in equivalent roles where good financial management was key to success. This involved not only setting up and monitoring proper procedures, controls and reporting but also ensuring that staff throughout the organisations were motivated to support effective systems.

### *Auditor Reference Lists*

Since 2016 I have assisted a major European aid agency with the creation of reference lists of audit firms. These lists limit the choice of project auditors for NGOs funded by that agency to audit firms that have been pre-selected and trained to meet a minimum quality standard. Having designed the process that is used in most countries I have assisted with the creation of lists in twenty-one countries around the world. This process involves assessing and scoring written expressions of interest from audit firms in each country before interviewing the firms and provide training to improve their understanding of the NGO sector and audit of NGOs.

### *Writing*

I have recently been commissioned to write a book about NGO audit. This will be a practical guide rather than a technical manual or academic thesis. The book is aimed at both the auditors of NGOs and the organisations being audited. It is intended to help auditors perform to a higher standard and to help NGOs understand better the audit process and how to prepare for it. The book should be published in 2021.

### *Recent Focus*

Over the last four years I have travelled to over twenty countries around the world, meeting and talking to charity specialists from almost 200 audit firms of all sizes. Despite international aid representing up to perhaps 60% of GDP in some of these countries, it is clear that auditors' understanding of the sector and their approach for auditing NGOs are almost universally poor. At the same time major donors from the global north have a high expectation that auditors will perform effective audits that will, in particular, have a high probability of identifying material fraud or other material misuse of funds. There is clearly a huge difference between the expectation of funding agencies and the present ability of most auditors to meet that expectation. My current focus is therefore to find ways of bridging this aspect of the audit expectation gap. This has two strands; one is to raise the understanding and skills of auditors and hence improve their audit approach, the other is to raise the level of understanding by donor agencies of the assurance that can realistically be provided by a standard audit.

### *Other relevant experience:*

I have provided a question and answer service to an international aid agency for many years. This has involved:

- supporting desk officers with the interpretation of and response to external audit reports on the projects that the agency funds.
- Helping with pre-funding assessment of potential implementing partners.
- Explaining the interpretation of ISAs to desk officers.
- Explaining to auditors that there can be alternative interpretations of ISAs that will help bridge the expectation gap.

I have also helped develop briefing papers and guidance documents for the organisation and its implementing partners and I was closely involved with the re-writing of their legal agreements with implementing partners and related documents.

My extensive experience of working with NGOs in the field gives me a deep understanding of

- the practical limitations organisations face in terms of human and other resources, communications, security, economic uncertainty and so on.
- The different cultural approaches not only in different regions/countries but also within countries and between faith-based and other organisations.
- The need for imaginative responses to issues – there is rarely a single solution to an issue that will work in every situation.

I am a member and co-chairman of Empacta, an international network of auditors with a particular focus on firms working with NGOs. At the 2018 conference of the network I facilitated sessions entitled "Auditing for Compliance Opinions" and "NGOs and Auditors, the Fraud Conspiracy".

#### *Key Skills*

- Qualified Chartered Accountant since 1985
- Practical approach to finding solutions
- Deep understanding of the international NGO sector
- Wide range of experience within that sector
- Excellent presentation and facilitation skills:

#### *Feedback from Recent Training*

"The trainer has huge experience, he mentioned excellent cases studies and very relevant examples for my work." *NGO participant.*

"This workshop was very relevant for me and was organised at the right time for our project. In particular, it was important for me to learn more about the international standards on auditing as well as about the specific expectations of donors. The case studies on accounting and on audit reports were relevant and interesting examples." *NGO participant.*

"The delivery was very good: the workshop was well balanced between formal presentations, case studies, donor expectations, practical examples, exercises between participants, questions/feedbacks from participants, discussions with the participants and the trainer. Moreover, the atmosphere of the workshop was both attentive and joyful, leading to better understanding and assimilation of the knowledge." *NGO participant.*

"This training was very helpful for me even though I do not work directly with the auditor. He made me understand more about the process of auditing. The lecturer gave very good delivery of knowledge to us and the teaching methodologies made it very easy to understand." *NGO participant.*

"Thank you so much Mr David for giving us such a wonderful presentation about the audit of NGOs."  
*Auditor*

"The presenter made all the participants involved in the workshop. He had to do a delicate balance since implementing partners and auditors possess different levels of technical knowledge on auditing."  
*Auditor*