Press release: Less than a quarter of charity auditors complied with new reporting rules, according to review

Fewer than one in four auditors alerted the charity regulator to matters of material significance identified in their charity audit reports, <u>according to a new review</u>. The Charity Commission has found that, of the 114 auditors who gave audit opinions containing information they were required to report to the regulator in the six months to October 2017, only 28 contacted the Commission.

The Commission says it is now working with the accountancy profession to raise auditors' awareness of requirements and address this under-reporting, which it describes as raising a 'significant concern' about the adequacy of reporting to the Commission by auditors.

The regulator undertook the review to test compliance with <u>rules that came</u> <u>into force from May 2017</u>, extending the list of reportable matters to include modified audit opinions, such as paragraphs about an emphasis of matter or a material uncertainty regarding going concern — meaning there are doubts as to the charity's ability to remain solvent.

The new rules are designed to help the regulator intervene in a more timely way, notably where charities face financial difficulty putting their future at risk. They follow the <u>Public Administration and Constitutional Affairs</u> <u>Select Committee's inquiry into the collapse of Kids Company</u>, which recommended clearer guidance to auditors on the issues regulators expected them to report.

Of the 28 auditors who made a required report to the Commission, only 6 did so promptly, or within one day of signing the audit opinion; 3 waited more than two months to alert the Commission.

Michelle Russell, Director of Investigations and Enforcement at the Charity Commission, says:

Auditors provide vital reassurance that a charity's accounts are true and fair and by extension in helping ensure charities are transparent and the Commission can regulate effectively. So it is very important that accountancy professionals understand the requirements on them in auditing charities' accounts.

This review shows that, at this time, too few auditors are complying with their statutory duty to report matters of material significance to us as soon as they identify them. This potentially

puts charities at risk. It is important that we identified and responded to this quickly and so we are working with the accountancy profession to help raise awareness of auditors' reporting requirements and ensure they meet them.

A <u>review published last year</u> analysed the reasons auditors gave modified audit opinions in 2016; these included concerns, on the part of the auditor, that charities did not have sufficient evidence to support their stated income or expenditure.

The Commission has been liaising with both the <u>Institute of Chartered</u> Accountants in <u>England and Wales (ICAEW)</u> and <u>ACCA, the global body for Professional Accountants</u>, about the findings from the report.

ACCA has welcomed the report, saying that "there is a responsibility on the profession to uphold the highest of standards" and that it would work with the regulator to "ensure the value of audit and all reporting for the charity sector remains a top priority".

Independent examiners were not included in this review, as the revised directions and guidance that referred to their duty to report matters of material significance to the UK regulators, only took effect from 1 December 2017. The regulators published <u>updated guidance for independent examiners</u> in September 2017.

Ends

Press release: The Destruction of Pharaoh's Host, by John Martin, at risk of leaving the UK

Arts Minister Michael Ellis has placed a temporary export bar on The Destruction of Pharaoh's Host, by the British artist John Martin (1789-1854), to provide an opportunity to keep it in the country.

The watercolour is at risk of being exported from the UK unless a buyer can be found to match the asking price of £1,509,102.

The drawing illustrates the Biblical story (Exodus 14) of Moses releasing the waters of the Red Sea, after they had miraculously parted to allow the fleeing Israelites to cross, thereby drowning the pursuing Egyptian army.

Employing a panoramic composition to magnificent effect, Martin plays with the scale of the figures and the scenery to maximise the epic nature of the drama. The emotional force of this scene of deliverance and retribution is heightened by a blood red sunset below a sweeping black sky.

Although Martin is best known for his spectacular oil paintings and mezzotints (a tonal print technique that was ideally suited to capturing his bold use of light and shade for dramatic effect) illustrating John Milton's Paradise Lost and the Bible, he also created a series of framed 'exhibition watercolours', which in scale and visual impact were intended to compete for attention and patronage with oil paintings.

Martin's mezzotints of Biblical subjects, such as The Destruction of Pharaoh's Host published in 1833, were hugely popular and influential with admirers including Charles Dickens and the Bronte sisters who grew up with them on the walls of their father's parsonage.

Martin's large-scale watercolour treatment of the same subject from three years later was intended to capitalise on his popular success, and The Destruction of Pharoah's Host demonstrates his bold use of the medium in the eye-catching brightness of the colours, with the tonal range expanded through extensive use of black pigment, bodycolour, and gum arabic.

Martin's artistic reputation did not endure — despite the influence he played in shaping the epic scale and grandeur of Biblical and historical epics in films by directors like Cecil B. DeMille — as his standing suffered from the disapproval of the art critic John Ruskin and the artist's focus later in his life shifted to planning ambitious engineering schemes to deliver clean water and an efficient sewage system to London.

The subsequent and enduring shift in taste away from the use of watercolour for grandiose narrative subjects, allied to a longstanding critical downplaying of the significance of the medium to British art, meant that Martin's stature as a watercolourist was long overlooked, until interest in his work began to revive in the early 1950s.

Martin's importance is now more widely recognised and celebrated, and the ambition, boldness and grandeur of The Destruction of Pharoah's Host exemplifies his unique contribution to British watercolour history.

Arts Minister Michael Ellis said:

This incredibly dramatic picture captures the imaginative and apocalyptic subjects for which Martin is best known.

I hope it can remain in the UK, where it can be admired and studied for many years to come.

The decision to defer the export licence follows a recommendation by the Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest (RCEWA), administered by The Arts Council.

RCEWA member Lowell Libson said:

Working in watercolour played a significant part in Martin's art throughout his career although he is now best remembered for his exhibition works in oil. The Destruction of Pharaoh's Host not only demonstrates Martin's mastery of the medium but underlines how he employed it to achieve emotional and dramatic effects of a subtlety which were impossible in his larger scale oil paintings. The Destruction of Pharaoh's Host numbers amongst the greatest of Martin's watercolours.

The RCEWA made its recommendation on the grounds of the picture's outstanding significance in the reassessment of John Martin — the most popular artist of his day, dismissed by the art establishment and ignored for almost a century — whose influence on the development of epic, visionary landscape painting, both in Britain and in America, is now widely acknowledged.

The decision on the export licence application for the picture will be deferred until 21 May. This may be extended until 21 September if a serious intention to raise funds to purchase it is made at the recommended price of £1,509,102.

Organisations or individuals interested in purchasing the picture should contact the RCEWA on 0845 300 6200.

An image of the picture can be downloaded via our flickr site.

ENDS

For media information contact: Yasmin Kaye, Senior Communications Officer, Department for Digital, Culture, Media and Sport Tel: 0207 211 6489 Email: yasmin.kaye@culture.gov.uk

Notes to editors

- 1. Details of the picture are as follows: Watercolour by John Martin (1789-1854), The Destruction of Pharaoh's Host, signed and dated: 'J. Martin/1836' (lower right). Pencil and watercolour with gum arabic heightened with body colour and with scratching out; 23 x 33 $\frac{3}{4}$ in. (584 x 857 mm).
- 2. Provenance: (Probably) J.E. Jesse, by 1876; with Agnew's, London; with Leger & Son, London, by September 1954, sold in or after 1958 to George Goyder; Sotheby's, London, 11 July 1991, lot 192, where purchased by private owner (sold for world auction record price for watercolour by this artist £107,800); Christie's, London, 3 July 2012, lot 139 (est. £300,000-500,000, sold for £758,050, also world auction record).
- 3. The Reviewing Committee on the Export of Works of Art and Objects of Cultural Interest is an independent body, serviced by The Arts Council, which advises the Secretary of State for Digital, Culture, Media and Sport on whether a cultural object, intended for export, is of national importance under specified criteria.
- 4. The Arts Council champions, develops and invests in artistic and

cultural experiences that enrich people's lives. It supports a range of activities across the arts, museums and libraries — from theatre to digital art, reading to dance, music to literature, and crafts to collections. www.artscouncil.org.uk.

News story: Emergency Services Network reaches new milestone



This is a significant milestone for the project which will provide emergency services with a new cutting-edge communication system.

Engineers performed the test on 8 February between an EE mobile mast site in Bristol and a location in Basingstoke. This is the first time Motorola Solutions' software has linked together with the live EE mobile phone network and demonstrated prioritisation of emergency services communications on a public network.

Minister for Policing and the Fire Service Nick Hurd said:

This is a complex project which will provide the emergency services with the most advanced communications system of its kind anywhere in the world — which is why successful tests like these are an excellent achievement.

Members of the public are already seeing some of the incidental benefits of the project like its improvement of the 4G mobile network — 90 per cent of the UK is now covered.

Other progress in the delivery of ESN includes:

- the introduction of handheld devices 130 have now been produced for testing
- the first new rapid response vehicle has been tested and more are currently in production

- Transport for London has now laid 'leaky feeder' cables in almost 100km of tunnels out of a total of 420km in the London Underground
- there have already been over 100 genuine 999 calls received through masts in place due to ESN where there was previously no coverage, demonstrating the ability of ESN to help save lives even before the roll out is complete

More information on the programme.

Published 22 February 2018

News story: Over 10,000 refugees resettled in the UK under flagship scheme

The latest quarterly Home Office immigration statistics today (22 February) show that 10,538 refugees have been resettled on the VPRS, one of the largest global resettlement programmes, since it began.

The VPRS is just one of the routes by which the UK is helping to resettle refugees. In 2017, a total of 6,212 people were resettled in the UK - a 19% increase on 2016 - with 4,832 of these people coming through the VPRS. 539 people arrived under the Vulnerable Children's Resettlement Scheme (VCRS) which will resettle up to 3,000 at-risk children and their families from the Middle East and North Africa region by 2020.

The latest figures take the total number of children that the UK has provided asylum or an alternative form of protection to since the start of 2010 to 28,000.

Earlier this week, the Home Secretary Amber Rudd visited a refugee camp in Lebanon, meeting families who have fled the war in Syria and speaking to officials from the UNHCR, the UN Refugee Agency, who work closely with the Home Office to resettle families to the UK.

Home Secretary Amber Rudd said:

As a country we can be proud that we are over half way towards honouring our commitment of resettling 20,000 of the most vulnerable refugees who have fled Syria by 2020 so they can rebuild their lives here in safety. Nearly half are children and more people are arriving every month.

This week I went to Lebanon to see for myself the human impact of

the Syrian conflict and talk to refugees about the challenges they face. I met a family who is due to be resettled in the UK and heard first hand how important the resettlement scheme is and how it helps individuals, who have fled danger and conflict, to rebuild their lives.

We are welcoming and supporting some of the most vulnerable refugees and I am grateful to all of the local authorities, charities and other organisations that have made it possible.

The VPRS is a joint scheme between the Home Office, the Department for International Development and the Ministry of Housing, Communities and Local Government.

The UK works closely with UNHCR, the International Organisation for Migration (IOM), the UN Migration Agency and partners on the VPRS to provide lifesaving solutions for the refugees most in need of protection, including people requiring urgent medical treatment, survivors of violence and torture, and women and children at risk.

Gonzalo Vargas Llosa, UNHCR's UK Representative said:

The UK has embarked on an impressive upscaling of the VPRS in a short period, setting in place structures to welcome highly vulnerable refugees and allowing them to gradually stand on their own feet again.

Collaboration between the central Government, local and devolved authorities and service providers has been commendable. I've been up and down the country meeting refugee families and local communities, and the strong support for this programme and refugee integration generally is something the UK should be proud of.

IOM facilitates the pre-departure health assessments, cultural orientation and the travel for refugees to the UK. IOM also supports national and local governments to develop integration programmes as part of a holistic migration management strategy.

Dipti Pardeshi, IOM UK Chief of Mission said:

The UK has achieved a significant milestone for the VPRS by resettling over half of the 20,000 committed to be resettled by 2020. The generosity and welcome shown by the UK government and the British people to those resettled is commendable.

Today, less than one per cent of refugees worldwide have been resettled and the need continues to be dire. Resettlement cannot be viewed as a one-off effort. Countries must step up to resettle more refugees and to view this as part of a holistic process to help

vulnerable refugees rebuild their lives.

The UK's resettlement schemes are just one of the ways the Government is supporting vulnerable children and adults who have fled danger and conflict. The UK remains the second largest donor in humanitarian assistance and has pledged £2.46 billion in UK aid to Syria and the neighbouring countries, its largest ever response to a single humanitarian crisis.

Since 2012, across Syria and the region, the UK has provided over 26 million food rations, over 9.8 million relief packages and over 10.3 million medical consultations and over 8.3 million vaccines.

News story: VMD web and switchboard services will be unavailable from 16:00, 23 February to 8:00, 26 February



The following online application services will be unavailable:

- Special Import Ceritificates
- Special Treatment Certificates

You should obtain an import certificate in advance if you think you will need to import/use an imported medicine during this period. In urgent cases you may purchase and use an imported veterinary medicine prior to obtaining a certificate from the VMD. This is a special dispensation which only applies to the VMD online system during this maintenance period. You should obtain an import certificate retrospectively as soon as possible.

- Research Import Certificates
- Export Certificates
- Microchip Adverse Event Reporting
- Animal Adverse Reaction Reporting

• Human Adverse Reaction Reporting

The following online information service will be unavailable:

• Product Information Database

Also, we will not be able to receive phone calls through the switchboard or via direct dial.

The systems should be operational again on from 8:00 Monday 26 February.

The VMD apologises for any inconvenience.

Published 22 February 2018