

Network News

APRIL 2020

INSIDE THIS ISSUE

- Russell Bedford response to COVID-19
- Russell Bedford launches global webpage for COVID-19
- COVID-19: Centre of Excellence
- Russell Bedford 2020 Performance Review
- Just Released: Business World March 2020
- Opportunities for the audit profession
- Meeting of Australian firms takes place in Adelaide
- Global Accounting Update

Russell Bedford response to COVID-19

As we all continue to adjust to our 'new norm' in a world of uncertainty, our message is always one of positivity. We have to be there for our clients and we have to ensure they feel (and indeed, ARE) supported.

Accounting firms are in a fortuitous position, as providers of professional services, geared up for working remotely, able to function virtually from any location and we will continue to provide the expert services that clients of Russell Bedford firms have come to expect.

Communication is key; and we shall continue to reach out to our members and, in turn, they shall connect with their clients, via modern technology.

It is more important than ever to be in a global network at a time like this; and not to feel alone!

CENTRAL OFFICE

Under the advice of the UK government, our CEO and the Russell Bedford Central Office all started working remotely from the start of the week commencing 16 March.

Our main office phone line has a permanent message explaining that we cannot take calls right now and to email "info@russellbedford.com". This is diverted directly to the emails of the Central Office team and, therefore, enquiries are being dealt with promptly, as normal.

SPECIAL GUIDANCE FOR MEMBER FIRMS

Russell Bedford has launched a new platform on our intranet dedicated to COVID-19. This is being used to upload general guidance documents (what to think about if you are still working in the office, and how to adjust to working from home), as well as regular specific updates from around the world, which our members are providing or sourcing from public websites in their respective jurisdictions.

Additionally, we have teamed up with a media company who are issuing daily press briefings to pass onto our firms, highlighting the latest developments directly related to COVID-19, summarising what is going on around the world. As we know, matters are changing rapidly and such publication provides our members with details of the most up-to-date global information on a daily basis.

In times like these, we need to stick together (in a 'virtual manner' of course!) and so we have created a specific communication facility for members to share their concerns, ideas and suggested solutions to the challenges we are now facing. We are encouraging all to freely discuss how they are tackling difficult issues; and to generally chat about their experiences, as a business and as an individual.

REPLACING PHYSICAL EVENTS

Physical events are indeed being cancelled, but we have online forums, webinars, and platforms to keep the network alive, relevant, and communicative. We shall also start to produce 'virtual events', getting people together over video conferencing.

There are so many effects of this pandemic: physical, financial and psychological. It is important that our firms know they have the support from not only the Central Office, but from each other around the world; plus that their clients have the support from their firms. We are sharing ways of how to provide that support and advice.



This includes offering access to various webinars on this exact subject via relationships we have with training providers and via our own internal experts.

We continue to be in the strong position to share resources, expertise and ideas from over 100 countries.

UPDATES AND MEASURES FROM AROUND THE GLOBE

Our firms all over the world have been busy producing articles on the various fiscal and economic measures being taken by their governments, to help businesses and individuals who are suffering financially. Their commentary on these and other resulting impacts can be found on their respective websites.

We are collating all of this, and other such advice from our members, and providing access via a special page on our public website: www.russellbedford.com/latest/covid-19/.

Russell Bedford launches global webpage for COVID-19

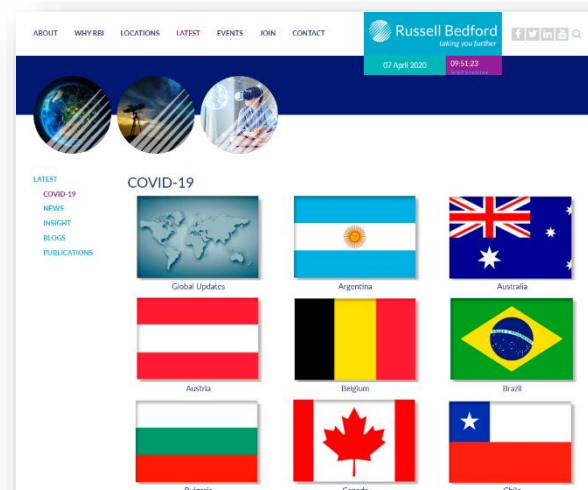
Many of you will have seen by now that last week we launched a special webpage on our global website specifically for updates from around the world, in relation to COVID-19, accessible via the link below:

www.russellbedford.com/latest/covid-19/

This has been created with you and your clients in mind, and includes various links to useful country-specific information related to the impact of COVID-19 on global business. You will find legislative and regulatory advice in respect of fiscal

and accounting matters, allowing easy access to information on the latest government measures that have taken place to assist businesses and individuals.

If you would like to contribute to the page, please forward any information that you consider to be useful to info@russellbedford.com.



COVID-19: Centre of Excellence

A COVID-19 Centre of Excellence has been developed to provide members with regular updates, support and advice. To access the centre, please log in to the Russell Bedford Intranet and then follow the link below:

www.russellbedford.com/intranet/centres-of-excellence/covid-19/

The centre provides members with daily press briefings on COVID-19, as well as various resources including webinars to help support your business during this time.

You'll also see that some of our members have been sharing updates in the Discussion Group including an update from the Chair of the International Board of Directors, Bruce Saward, and some great employee support advice from Manchester, UK firm, Mitten Clarke. Please follow the link below to join the discussion and share your experiences:

www.russellbedford.com/intranet/centres-of-excellence/covid-19/covid-19/discussion-group/

Russell Bedford 2020 Performance Review

Following the release of the International Accounting Bulletin's World Survey results, which includes fee data and growth rates of all international accounting groups, the award-winning network, Russell Bedford International reported several excellent conclusions following an analysis of the survey's results.

Impressive figures were revealed in respect of regional growth, including being ranked first among all global networks in Asia Pacific, achieving the highest percentage growth rate. Russell Bedford's European growth was similarly impressive, where the network ranked third when compared to all networks in the Top 20; as well as fourth for growth in Africa.

Russell Bedford further secured second place among all global networks for the net increase in the number of new member firms recruited and, in terms of global revenues, achieved the ninth highest percentage growth, with a 5% increase in revenues; 1% higher than the industry average of 4%.

Speaking about the results, Stephen Hamlet, CEO of Russell Bedford International, said: "It is extremely pleasing to see such positive outcomes resulting from the recent IAB World Survey. As a network that is highly motivated towards delivering consistent progress, I was delighted to see the network display the highest growth in Asia Pacific and be ranked second in terms of net increase in the number of new member firms. Although retaining our position as a Top 20 network, with such positive figures and statistics, is significant, we remain committed to continuously improving not only such rankings but, importantly, the service offering we provide our members; enabling them to deliver comprehensive and quality support to their global clients."

For a summary of Russell Bedford's 2020 performance click [here](#).



Just Released: Business World March 2020

The March edition of Business World is out now. The latest edition features articles from our Bucharest member firm, 3B Expert Audit, on taxation considerations that businesses should contemplate when entering the Romanian market, as well as a review of the complexities of US state sales tax rules from our London member firm, Lubbock Fine, and Atlanta member firm, Williams Benator & Libby. Click here for a full synopsis of the latest edition's articles, and to download the full publication, follow the link below:

www.russellbedford.com/latest/publications/business-world/business-world-issue-no-20-march-2020/

We would like to extend a big thank you to all of those who contributed to the latest edition of Business World. If you would like to contribute to the September edition, please contact Susan Barron at susan.barron@russellbedford.com.

Opportunities for the audit profession

The change brought about by the digital and technological revolution continues at pace and businesses must react to the challenges this presents. In our own business, that of professional services firms, this transformation has already begun – we are witnessing a high demand for specialist skills in technology areas such as big data, business intelligence and blockchain. And this technological transformation is happening now in the audit departments of large corporations.

Information is fuelling the twenty-first century; however, information that isn't credible is of no use at all. This means trusted and reliable information, and increased transparency assume even greater importance. Today's auditors are qualified and positioned to provide this.

The future for audit and consulting firms

No matter how revolutionary the technology becomes, business is still driven by people. Business leaders and stakeholders need our services, our professional judgement and our advice. As auditors, we are perfectly placed because we understand their businesses and how they work. Thus, rather than consolidating our existing services, we will likely extend into other areas of customer need. But we must prepare.

What's more, the methodology we employ to draw conclusions about a business is evolving from the system of sampling we used until recently to the analysis of data on a grand scale. This is helping us to, not only, verify financial and non-financial information but also to identify and mitigate business risks while also supporting growing businesses with their financial and operational restructuring. Our services are adding value more than ever.

How can smaller firms adapt to these challenges?

Our industry has seen more change in the last ten years than in the previous thirty. This means we can't be complacent and rely on a reputation built up over earlier decades as it doesn't count for much in the new world. During the coming decades our businesses will have to adapt to even more change; to be able to continue to compete we will have to constantly re-educate ourselves.

Today's businesses are more complex and legislation much broader. We can't be specialists in everything so there is a need for multidisciplinary teams comprising professionals with expertise in specific areas. This presents opportunities for small and medium-sized firms to collaborate with others. Customers are very astute too and value the honesty and humility that a smaller business brings. We may not be able to solve all their problems, but we can provide solutions through collaboration.

Smaller firms must focus on their service proposition

Rather than concentrating on market challenges and opportunities, it is vital that small and medium-sized firms focus on the service they offer and make it relevant to customers. The benefits of a narrower boutique offer of specialised services are attractive. This added to expert knowledge of local markets, the agility that a smaller firm can exercise to meet the demands of constantly changing markets, and the personalised service that smaller firms find easier to provide makes for a compelling proposition.

We now need to become more than auditors; we must become our clients' trusted advisers. This means working with business leaders to help anticipate and adapt to what's happening rather than auditing what's already happened.



Meeting of Australian firms takes place in Adelaide

Russell Bedford's Australian member firms gathered in Adelaide, Australia on Monday, 2 March 2020 for the first ever meeting as a national group.

Hosted by Russell Bedford's Adelaide member firm, Lee Green & Co., all Australian members firms were represented including Lee Green & Co. (Adelaide), HMW Group (Brisbane), Saward Dawson (Melbourne), Stantons International (Perth), and Camphin Boston (Sydney).

Prior to the meeting the group joined for a welcome gathering, enjoying a modern Asian Banquet on the evening of Sunday, 1 March.

Topics for discussion at the meeting itself included the varying specialities between the firms and different systems and software used by each.

A significant priority for all firms, and can be particularly challenging, is the recruitment of top talent. The group discussed maintaining engagement among employees and providing adequate training, as well as shared strategies for supporting the retention and development of key staff.

The group completed a benchmarking exercise to understand their collective strengths, including service lines and specialisms, while identifying areas where the other firms could provide support. They also shared successfully implemented strategies to be rolled out in the other firms with the potential of providing a similar benefit.

The meeting concluded with a roundtable on how to progress the national group through collaboration in support of their mutual business objectives, while leveraging the Russell Bedford brand and supporting its exposure throughout Australia.

Michael Sweeney, director at Lee Green, Russell Bedford's Adelaide member firm, said: "I was extremely pleased with the turnout at our first ever meeting of Australian member firms in Adelaide; and equally so to see each of our Australia firms represented. It's a demonstration of just how committed our members are. Engagement is very high. Members are eager to work with each other – they see the value through their experience of network membership in developing and deepening connections with their counterparts. After all, you're much stronger with the support of others around you."

Bruce Saward, managing partner of Saward Dawson and chair of the Russell Bedford international board of directors said: "The meeting was a great success. We managed to get into some meaty topics, I think everyone gained from our discussions and I'm already looking forward to not only planning our next physical meeting, but also to working with our Australian colleagues in between meetings, and maintaining those important relationships in support of our mutual business goals. A big thanks to Michael Sweeney, partner of our host firm Lee Green, for so graciously hosting the group and facilitating a very successful first meeting. Thanks Mike!"



Global Accounting Update

A round-up of updates and commentary on new standards, regulations and ethical issues

[Toward Gender Equality: Accounting for Change](#)

To mark the 2020 International Women's Day (IWD) and Women's History Month Elena Churikova, Senior Manager of Governance at IFAC, discusses how far we've come in terms of closing the gender pay gap and what we can do to speed up the process to achieving full equality.

[Professional Accountants: Taking the Lead on Ethics and Trust in Tax Systems](#)

Trust in tax systems has been waning globally. The growing world population and a deepening climate emergency will put additional strain on the world's infrastructure and public services—and, as a result, tax revenues. Kevin Dancey, CEO of IFAC, discusses why accountants need to take action towards advancing global policy solutions that are fit for the future.

[Developing the Accountancy Profession in Fragile States](#)

It is easy to take the existence of strong professional organizations for granted. These organizations promote their professions, set standards, provide training, exchange information and offer a wide range of services to members. But in many parts of the world, especially in those states suffering from political, economic, societal and environmental fragility, professional accountancy organizations are often struggling. David Goldsworthy, CIPFA International Board, Honorary CIPFA Member discusses the challenges facing the profession in certain parts of the world.

Forthcoming conferences:

International Tax & EMEA Conference 2020 - POSTPONED

The International Tax & EMEA Conference 2020 which was due to take place on 15-17 May 2020 in Bucharest, Romania has been postponed to May 2021 due to the COVID-19 pandemic.

Asia-Pacific Meeting 2020 - CANCELLED

The 2020 Asia-Pacific Meeting, which was due to take place on 2-3 July 2020 in Singapore, has been cancelled due to the COVID-19 pandemic.

37th Annual Global Conference 2020

The Annual Global Conference 2020 is due to take place in Vienna, Austria on 21-25 October 2020. The Central Office team, with the support of our host firm, are actively working on preparations for the event to go ahead as planned. We will continue to update the network with more information as soon as we are in a position to do so.

* Please note that despite the difficulties arising due to the COVID-19 pandemic, we continue to work towards planning more conferences to take place at the end of this year. We thank you for your cooperation and understanding.

All conference information is accessible via the [Events](#) section of the Russell Bedford Intranet. If you experience any problems accessing the intranet, please contact Central Office for support.

Russell Bedford - key facts and figures 2020

- More than **35 years** of global service
- **Top 20** global accounting network
- **USD 525 million** global fee income
- **700 partners** and over **6,500 staff**
- Some **350 offices** in **100 countries**

For previous editions of Network News, visit our [Network News webpage](#).