



## Social accounting and audit for the community sector

### SAN: SOCIAL AUDIT NETWORK April 2010



Welcome to the latest Social Audit Network monthly newsletter, writes *Mike Swain, Chair of SAN (pictured)*, I hope you find the information within it useful. This promises to be a year of change for SAN as we adjust ourselves to the challenges we face as a small organisation. We have decided at least until the 2010 AGM in December to reduce the size of the Board of Management and to focus more tightly around a number of key strategic areas.

The most important of these areas is in continuing to demonstrate the value of social accounting and audit as a framework and planning tool.

In the coming financial year, spending by funders will be increasingly required to demonstrate *best value*. Social accounting, as a framework to make sense of the many tools used to measure impact, is now widely accepted. Organisations need to monitor environmental as well as social and financial impact and the *triple bottom line* accounts produced are now well-understood, the external verification valued. We are finding that organisations value being able to decide for themselves how to measure their outcomes. People find the flexibility of, and depth of knowledge around, the social accounting process enables them to *prove* to funders and *improve* their organisation.

The second of these areas is the continuing development of regional infrastructures across the UK. It is very important that social accounting and audit is widely practised by third sector organisations and we plan to use our considerable regional contacts to build active clusters of practitioners and individuals committed to the process. We want to hear from you if you are able to contribute to any of our regional activity. We include occasional regional reports in the circular and I hope during the course of the coming year to increase the number of these.

We will of course also be continuing to offer encouragement and support to our partners beyond the UK - in Europe, India, Nepal, Australia, Canada and New Zealand.

This month, the Social Audit Network is pleased to publish the results from recent work with the SROI Network, which has identified the similarities as well as the differences between the two processes. A joint paper has now been agreed and can be accessed here or from the SAN website. The main part of the document is a table which lists where and how SAA and SROI coincide and where they diverge. We hope that this document will help show that SAA and SROI can be complementary and get away from what seems to be a prevailing notion of 'either or'.

Continuing from the global theme in the March newsletter, we have an article about Social Accounting practice in Finland, and closer to home, further reports and case studies from the partnership working between SAN in Scotland and Co-operative Development Scotland. Six enterprises have taken part in a training and development programme which appears to have been well catered and supported by the participants (tip: always include food related enterprises in your working group!) Finally, I would like to draw your attention to the Directory of [Social Accounts](#) on the website. This contains not only direct links to social accounts, but also a downloadable list of organisations and contacts. SAN aims to support the development of social accounting, and those members on the list are happy to share their own Accounts or reports with others.

We would very much like to hear from you about the circular, about social accounting activities and anything else you think might be of interest to readers. Send us an email or drop us a line at the Exeter office.

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## ARTICLES

### Social Accounting and Audit Pilot Initiative:

#### A partnership between Co-operative Development Scotland (CDS) and the Social Audit Network (SAN)

##### Summary Paper

Co-operative Development Scotland (CDS) and the Social Audit Network (SAN) worked in partnership to implement a pilot initiative which introduced social accounting and audit to six co-operative enterprises in Scotland.

Co-operative Development Scotland (CDS) promotes the development of successful co-operative enterprises across Scotland. They work closely with key partners and aim to demonstrate the personal, social and economic advantages of co-operatives. It also directly supports the growing co-operative sector by raising the profile of co-operatives, helping the development of new co-operatives and carrying out research.

To read more of this PAPER, please [CLICK here](#).....

### SAA in Finland

#### Tytti Siltanen, Develooppi Oy, Finland (pictured)

In Finland there are about 30 Social Accounts published so far and the interest towards the method is growing. The method used here has been inspired by the model developed by John Pearce and the New Economics Foundation and has been developed via trainings of Tor Justad in Sweden and the work of my colleague Hkan Bjrk from Ume, Sweden.

To read more about SAA in Finland, please [CLICK here](#).....



**Social Audit case study:**

**Highland Home Carers**

HIGHLAND Home Carers is to produce annual 'social accounts' after the success of a project funded by Co-operative Development Scotland. The Inverness-based homecare provider, which is owned by its 160 employees, is already working on its third annual social audit.

The process involves interviewing service users and their families, employees and funders

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**Social Audit case study:**

**Loch Fyne Oysters**

Loch Fyne Oysters is using 'social accounting' to demonstrate its environmental and ethical credentials to customers.

"The fact that these are audited accounts rather than just a narrative gives them much more weight," explains Anne Stewart, HR Manager at Loch Fyne Oysters. "It has helped us in securing some contracts. Customers increasingly want proof that their suppliers are operating the policies that they say they are

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**SAN Training Programme**

SAN runs two types of training event: the two day **Social Accounting 'master-class'** and the one day **Social Auditor Workshop**.

The **master-class** (MC) works through the Three Steps of the Social Accounting and Audit process and is designed for people who either wish to use social accounting in their own organisation or wish to assist other organisations prepare social accounts..... for more information and list of upcoming events,

**READ ON.....**

**SAN practice Case Studies**

SAN is always looking for organisations to feature as Case Studies in both this newsletter and on the SAN website. A number of these have been prepared following the SAN research project.

There are now 23 Case studies on the SAN website, and these will shortly be accompanied by a handy directory feature to help you select the best for your needs.

To visit the Case Studies page....

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**NEWS & DEVELOPMENTS**

**Update on SAA Activity in the East & West Midlands – March 2010**

SAN West Midlands has met with a local officer of the Barrow Cadbury Trust who have expressed interest in supporting their grant funded organisations to examine implementing social accounting and audit as a framework for understanding their impact. Discussions are ongoing with Barrow Cadbury to explore the possibility of running either a SAA cluster or masterclass with their beneficiary organisations — mainly organisation supporting refugees and asylum seekers. As an interim measure some of these organisations will be attending the introductory event in Birmingham on 15th April.

In the East Midlands, the first masterclass was delivered on the 23rd and 24th of March and further workshops will be delivered in April and June 2010. SEEM has also expressed an interest in holding a Social Auditor Workshop following the series of two day master-classes, providing there is sufficient demand.

*Iftikar Karim*

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## CO-ORDINATORS & CONTACTS

**London** Mike Gordon (pro tem)  
[mike@mgc13.plus.com](mailto:mike@mgc13.plus.com)

**South East** Mike Gordon (pro tem)  
[mike@mgc13.plus.com](mailto:mike@mgc13.plus.com)

**East Midlands** Mike Swain  
[Mike.S@asan.org.uk](mailto:Mike.S@asan.org.uk)

**West Midlands** West Midlands Social  
Accounting Cluster [Mike.S@asan.org.uk](mailto:Mike.S@asan.org.uk)

**Scotland:** SAN in Scotland [info@cbs-  
network.org.uk](mailto:info@cbs-network.org.uk)

**South West England** Community Enterprise  
Unit [lorna@ceultd.co.uk](mailto:lorna@ceultd.co.uk)

**East of England** Mike Gordon -  
[mike@mgc13.plus.com](mailto:mike@mgc13.plus.com)

**Wales** Cylch in partnership with the  
Development Trusts Association Wales  
(DTAW) [sarah.germain@cylch.org.uk](mailto:sarah.germain@cylch.org.uk)

**North West England** contact either  
Graham Waterhouse -  
[graham.waterhouse@ntlworld.com](mailto:graham.waterhouse@ntlworld.com)  
or Liz Brooks Allen [lizbrooks-  
allen@theconnectives.com](mailto:lizbrooks-<br/>allen@theconnectives.com)

**Yorks and Humber** Contact in the first  
instance Mary McGarry  
[mary@punchthehorse.karoo.co.uk](mailto:mary@punchthehorse.karoo.co.uk)

**North East England** Community Campus  
87 [lawrence@cc87.co.uk](mailto:lawrence@cc87.co.uk)

**Northern Ireland** Vacant

We are still seeking to identify people  
willing to serve as Regional Co-ordinators  
in Northern Ireland and the South of  
England.