

CASE STUDY

University of Oxford Slashes £55,000 in Audit Fees and Secures FRS 102 Compliance with FinQuery



CHALLENGE

The University of Oxford is facing a significant regulatory shift due to the **Higher Education Statement of Recommended Practice (HE SORP)** requiring compliance with **FRS 102 lease accounting** in 2026. This change requires the University to convert approximately 50 operational leases into finance leases. The team got a preview of this challenge in 2024, when they acquired their first finance lease. They accounted for it using a spreadsheet, and the risks became apparent.

Louise Lipsham, Head of Capital Accounting, described the situation:

"The spreadsheet was huge... and the thought of having 50 different spreadsheets that could go wrong filled my heart with dread. Also in that first year when we did use Excel, our auditors charged us an additional £55,000 just to audit that one spreadsheet. So there was obviously an economical reason to have something more substantial that was easier for our auditors to audit."

The University needed a solution that offered robust internal controls, data integrity, and a way to avoid extra audit fees ahead of the FRS 102 compliance deadline.

SOLUTION

The University of Oxford selected **LeaseQuery Powered by FinQuery** to centralise their lease data based on its market longevity, financial stability, and robust feature set.



UNIVERSITY OF OXFORD

University of Oxford is a historic and prestigious institution - ranked the **number one university in the world** for the 10th consecutive year (*Times Higher Education World Rankings*).

INDUSTRY	Higher Education
LOCATION	Oxford, United Kingdom
LEASES	50 under FRS 102

KEY FACTORS

Internal Controls

Unlike Excel, LeaseQuery offered a strict approval system, ensuring a clear audit trail of who made changes and why.

AI Functionality

Proprietary AI reads lease documents to auto-populate critical data fields, reducing time spent on manual entry and eliminating errors.

Audit Access

The ability to grant auditors read-only access to the system.

HOW THEY DID IT

FinQuery's experience guiding thousands of organisations through lease accounting transitions resulted in a 'quick and smooth' implementation for the team. The training team offered flexible, responsive scheduling to ensure the University team was comfortable with the platform.

RESULTS

The transition to LeaseQuery has delivered immediate returns:

Time Savings

The automated schedules for each lease enables monthly postings and reconciling with period ending totals to be quick, easy, and accurate.

Strategic Forecasting

The solution has "revolutionised budgeting" for the finance lease area. The team can now accurately forecast liabilities and run test scenarios for potential new leases.

Confidence in Compliance

The system successfully flagged the difference between operational and finance leases, providing assurance that the University is accounting for assets correctly ahead of the 2026 HE SORP changes.

Audit Efficiency

Granting auditors direct access to the system saves everyone time and stress. The auditors are able to evaluate the system's calculations without the heavy manual lifting required for the spreadsheet, resulting in **£55,000 cost avoidance** in the first external audit.

"It's quicker, it's easier for [our auditors] to audit because all the documents are in one place... If there are any direct costs that are going on to the asset value, we upload those so our auditors don't have to ask us any questions. Everything is there for them in one place and which they appreciate and I appreciate because it frees up me and my team to do other audit queries."

LOUISE LIPSHAM

HEAD OF CAPITAL ACCOUNTING
UNIVERSITY OF OXFORD

KEY INSIGHT: THE HIGH COST OF THE STATUS QUO

The University of Oxford's experience demonstrates that "free" tools like Excel often carry hidden costs—in this case, a £55,000 audit surcharge. By proactively implementing dedicated software before their regulatory deadline, the University eliminated unnecessary fees and stress with a solution that satisfied their auditors and secured their financial data.

Get an **FRS 102 Demo** from a Lease Accounting Expert

