

Corporate Assurance Strategy

A sound system of internal control is in place to support the achievement of our policies, aims and objectives and targets at all levels.

As part of the Annual Report and Accounts the Chief Executive is required to sign a Statement on Internal Control.

Alongside other controls (such as Performance Measurement and Management, Risk Registers, team briefings and senior management team meetings), Assurance Statements are used to provide the Chief Executive and Directors with evidence and confirmation that

- proper internal controls are in place;
- that those controls are operating effectively;
- key risks are being managed to enable the achievement of business objectives.
- provide a formal early warning system at relevant levels to issues which may affect the achievement of business objectives.

Assurance Statements are the primary means by which Managers and Directors provide formal confirmation on the effectiveness of the systems of internal control they have in place to fulfil their responsibilities. It is therefore essential that Assurance Statements should be completed with honesty and openness to enable the Chief Executive to sign off his Statement on Internal Control.

Each Assurance Statement when completed at Assistant Director level, should provide a balanced assessment of the risk to the delivery of their agreed business objectives/targets.

In summary then, the purposes of Assurance Statements are:-

- to capture and record robust evidence to support the production of the Statement on Internal Control;
- to promote and improve corporate governance standards; and
- to enable emerging problems to be highlighted in a timely way.

The following broad indicators are used in identifying exceptions:

- Could the issue have a material impact on the accounts?
- Could the issue divert resources from another important aspect of the business?
- Does the Audit Committee advise it is significant?
- Does internal or external audit regard it as significant?
- Could the issue, or its impact, attract significant public interest, or seriously damage the reputation of the organisation?

Systems of internal control are designed to manage rather than eliminate the risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable (and not absolute) assurance regarding its effectiveness.

Staff have been trained in Corporate Governance matters and managers responsible for giving assurance had had additional briefing in relation to assurance.