



ASSURANCE MAPS FOR SMALLER AND SIMPLER ENTITIES

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INTRODUCTION

In applying the principles of assurance mapping to smaller organisations, the end result is ordinarily a simpler method or development and a simpler map reflecting the lower level of complexity in the organisation and the governance arrangements. In small entities the time taken to complete the map will typically be proportionately less and the map itself simpler in form than in large organisations; the benefits remain the same.

The sponsor should always be at board level. In the public sector the accountable officer should be the sponsor. When considering the focus of the map, the audit and risk committee should be consulted and be offered the opportunity to challenge and approve the final format and process for its maintenance.

What this means in practice is that the same steps are required to develop the map but less time and complexity.

It may also be appropriate in small organisations to focus more time and effort on the structure of management assurances available rather than on the external and independent assurances.

STRUCTURE OF ASSURANCE MAPS FOR SMALL ENTITIES

The chart in Appendix 1 provides a simpler assurance map example that might be appropriate for small entities. It will be immediately obvious that the biggest feature is the collapse of the number of columns that might be involved. In the example, we show just a couple of lines dealing with two issues from an organisation that has a map with some 15 lines.

In each line we summarise the amount of assurance available and make an overall assessment in the overall assurance column. The desired level of assurance is captured on the left hand side. The final column captures any planned actions.

In practice, there will need to be some additional notes that capture more of the detail in relation to each box. The suggested format is shown in the aggregating assurance example.

A FURTHER SIMPLE FORMAT FOR THE ASSURANCE MAP

A further simple format for displaying the assurance map is shown in Appendix 2. In this case, the format is used for presentation purposes to management and the board. Behind the map is a simple write-up of the actual information available that supports each box and the evaluation made of the assurances.

WHAT YOU NEED TO KNOW OR THINK ABOUT

When it comes to developing the assurance map for a small and simple organisation, we recommend using the same helpsheet entitled *How to develop an assurance map* as for a larger, more complex organisation. The main differences would come in the form of:

- a simpler process for obtaining a sponsor and suitable buy-in;

- a simple format for the map itself;
- fewer interviews and less time spent analysing reports and other documentation; and
- a shorter time period to reach an acceptable end result.

If in doubt, we would recommend spending less time, rather than more, provided that the information being collated is sufficient to enable a sensible evaluation of the assurances. Should there be requests to provide more detail, this can be done as a secondary stage. In this way the format and uses to which the map are put can be developed alongside its production without excessive or wasted effort. It is more important to start the process with the right sponsorship and to let the format evolve.

APPENDIX 1 STRUCTURE OF ASSURANCE MAPS FOR SMALL ENTITIES

Systems and Processes	Owners	Corporate Risk Register	Desired level of assurance	1st line of defence	2nd line of defence	3rd line of defence	4th line of defence	Overall Assurance	Actions and recommendations
Performance management	Head of corporate services	R02, R06 & R09	High assurance	Medium assurance	Medium assurance	Medium assurance	High assurance	Medium assurance	Review of systems to be planned with a view to improving level of assurance from lines 1, 2 and 3
Anti-fraud and corruption	Head of corporate services	R05	Medium assurance	High assurance	Low assurance	Low assurance	Medium assurance	Medium assurance	None planned other than periodic review and update
Etc			Medium assurance	High assurance	Low assurance	Low assurance	Medium assurance	Medium assurance	

Key

	High assurance
	Medium assurance
	Low assurance
	No assurance

Assurance definitions

High	Controls expected are in place and are operating as expected
Medium	Controls in place are working as expected. However, some gaps, duplication and improvements have been identified
Low	There are controls in place, but these are either not operating as expected and/or there are improvements that could be made
No	There are no controls in place for this line of defence

APPENDIX 2 A FURTHER SIMPLE FORMAT FOR THE ASSURANCE MAP

	Sources of assurance																
	Risk assessment		1. Business Operations			2. Corporate Oversight					3. Independent Assurance						
	Gross (pre control)	Net (post control)	Mgm't review	Mgmt info	Self Asses process	EH&S	Security	Finance	HR	Treasury	HSE	Third Parties	NDA	IA	Ext Audit		
Supply chain	Red	Green	Light Blue	Dark Blue	Light Blue	Dark Blue	Dark Blue				Light Blue						
Procurement	Red	Yellow	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue				Light Blue			Light Blue		
Environment	Red	Green	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Light Blue	Dark Blue								Light Blue
H&S	Red	Yellow		Light Blue			Light Blue	Light Blue	Light Blue		Light Blue			Dark Blue			
Change programme	Red	Yellow	Light Blue	Light Blue			Light Blue	Light Blue	Light Blue	Dark Blue							
FCPA etc. compliance	Red	Green			Dark Blue		Dark Blue	Dark Blue	Dark Blue	Dark Blue				Light Blue	Dark Blue		Dark Blue
Staff retention	Red	Green	Dark Blue				Light Blue	Light Blue	Light Blue								
Data / IT security	Red	Yellow	Light Blue	Light Blue	Light Blue												
Contracting	Yellow	Green	Light Blue	Light Blue		Light Blue	Light Blue	Light Blue	Light Blue	Light Blue			Dark Blue		Light Blue		
Etc....	Yellow	Yellow	Light Blue			Light Blue	Light Blue										

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