

Mapping risk to the audit universe

We have mapped the ABC plc's risk register to the headings below and used the risk ratings to assess the potential level of risk for each area using ratings of High (H), Medium (M) and Low (L) based on the gross and net risk scores.

Audit Universe – BlueBay Asset Management		
CORPORATE	SUPPORT	OPERATIONAL
<p>A) Plc Responsibilities</p> <ul style="list-style-type: none"> Board composition and responsibilities - Gross M; Net L <p>B) Strategic and Corporate Planning</p> <ul style="list-style-type: none"> Strategic planning and implementation - Gross M; Net M <p>C) Corporate Governance</p> <ul style="list-style-type: none"> Governance structure and components - Gross M; Net L Compliance - Gross H; Net M Risk management – Gross H; Net M Management reporting – Gross M; Net M Remote offices – Gross H; Net M <p>D) Regulatory Environment</p> <ul style="list-style-type: none"> Investment guidelines - Gross H; Net H Marketing and sales practices Gross H; Net M Record keeping and archiving – Gross M; Net L 	<p>E) Human Resources</p> <ul style="list-style-type: none"> Recruitment, reward and retention – Gross H; Net M Pay and benefits – Gross H; Net M Staff management (training, health and safety) – Gross M; Net L <p>F) Financial Management and Reporting</p> <ul style="list-style-type: none"> Cash management and liquidity – Gross H; Net M Financial accounting and external reporting – Gross H; Net M Creditor/debtor management – Gross M; Net L Capital management - Gross H; Net L <p>G) Fund Accounting</p> <ul style="list-style-type: none"> Integrity of fund performance – Gross H; Net M Fund efficiency – Gross M; Net L Valuation - Gross H; Net H <p>H) Operations</p> <ul style="list-style-type: none"> Settlement and reconciliation – Gross H; Net H Third party providers - administrators, custodians and prime brokers – Gross H; Net M Cash and security management – Gross H; Net M <p>I) Information Technology (IT) and Facilities</p> <ul style="list-style-type: none"> IT governance - Gross H; Net H Scalability - Gross M; Net M Quality and functionality of IT – Gross M; Net M Business continuity – Gross H; Net M 	<p>J) Investment Management and Trading</p> <ul style="list-style-type: none"> Trading oversight and management – Gross H; Net M Fund mandate compliance – Gross H; Net H New product/fund approval and implementation/ due diligence – Gross H; Net M Portfolio profitability - Gross H; Net M Fund marketing strategy and implementation - Gross H; Net M Best execution – Gross H; Net L Position risk management – Gross H; Net M Insider trading – Gross H; Net M <p>K) Sales and Marketing</p> <ul style="list-style-type: none"> Communication governance - Gross M; Net L Investor relations - Gross H; Net M <p>L) Risk Management</p> <ul style="list-style-type: none"> Credit risk management – Gross H; Net M Market risk management - Gross H; Net H Legal matters - Gross H; Net M Fraud detection and prevention - Gross H; Net M