

RISK ADVISORY

Building trust and resilience
into your business



evelyn
PARTNERS



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The power of good advice

Life is full of decisions and choices that shape our future. Making great decisions requires as much certainty as possible – the kind of certainty that comes from good advice. Our advice is backed by almost 200 years' experience in helping people and businesses flourish.

At Evelyn Partners our mission is 'to place the power of good advice into more hands'. We believe that more people and businesses should have access to good advice, regardless of their size or wealth. We are committed to raising the standards of good advice and to extending its reach.

We are the UK's leading integrated wealth management and professional services group. We look after the combined wealth and tax needs of our clients and provide specialist accountancy, assurance, tax and advisory services for businesses. Our clients range from online investors to those requiring bespoke wealth management, and from charities to entrepreneurs and corporate businesses.

All our advice is delivered by people who care, who go further to understand your needs so they can help you make those big decisions with ease and confidence, bringing *you* closer to what matters *most to you*.

As a founding member of CLA Global, Evelyn Partners provides a truly international service.

Being a part of this leading worldwide network of independent firms, we are well positioned and have extensive experience to support you with your international requirements.

That's the power of good advice.

Welcome

Businesses face an increasingly complex operating environment: economic uncertainty, geo-political instability, climate change, global pandemics and social movements. While it's not possible to control these events or their associated risks, you can prepare for them.

The challenge?

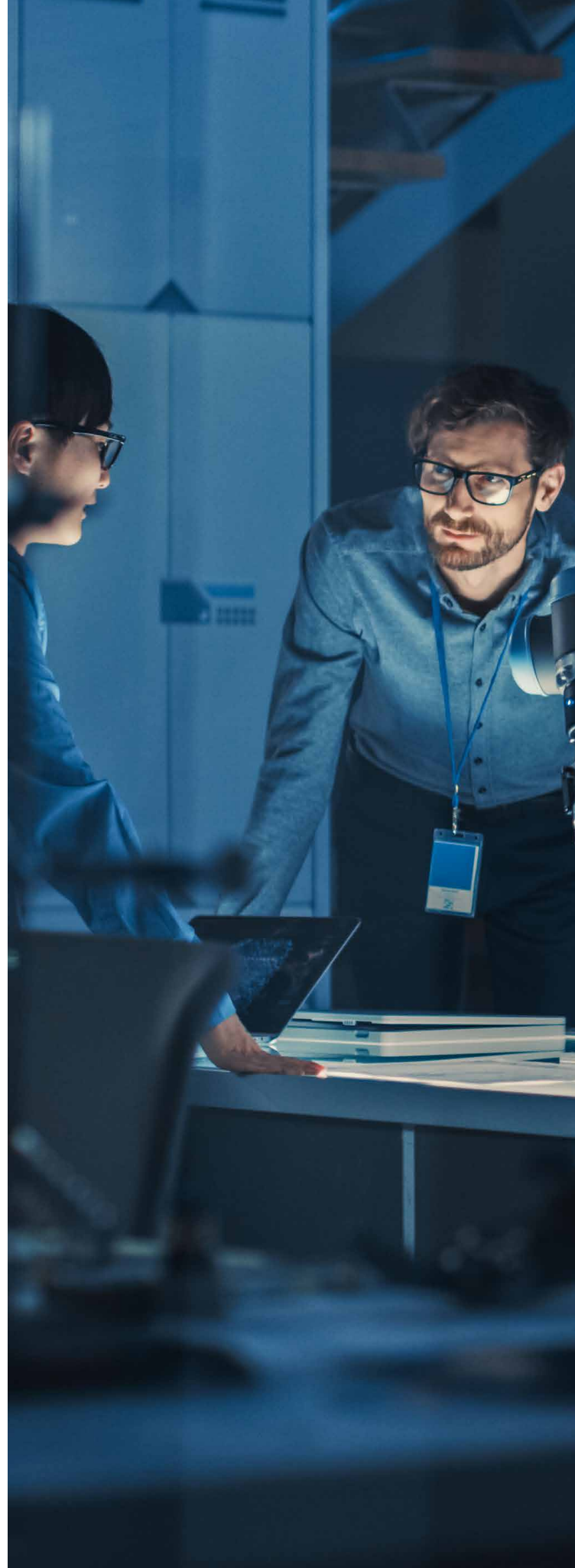
The best organisations visualise where they want to be in the long term and ensure their internal departments are geared up for that journey. There is a lot to consider, for example establishing appropriate governance structures; having a skilled workforce; building robust IT infrastructure; defining internal control frameworks; and, ensuring there is a proportionate level of assurance over the first and second line of defence.

Building trust

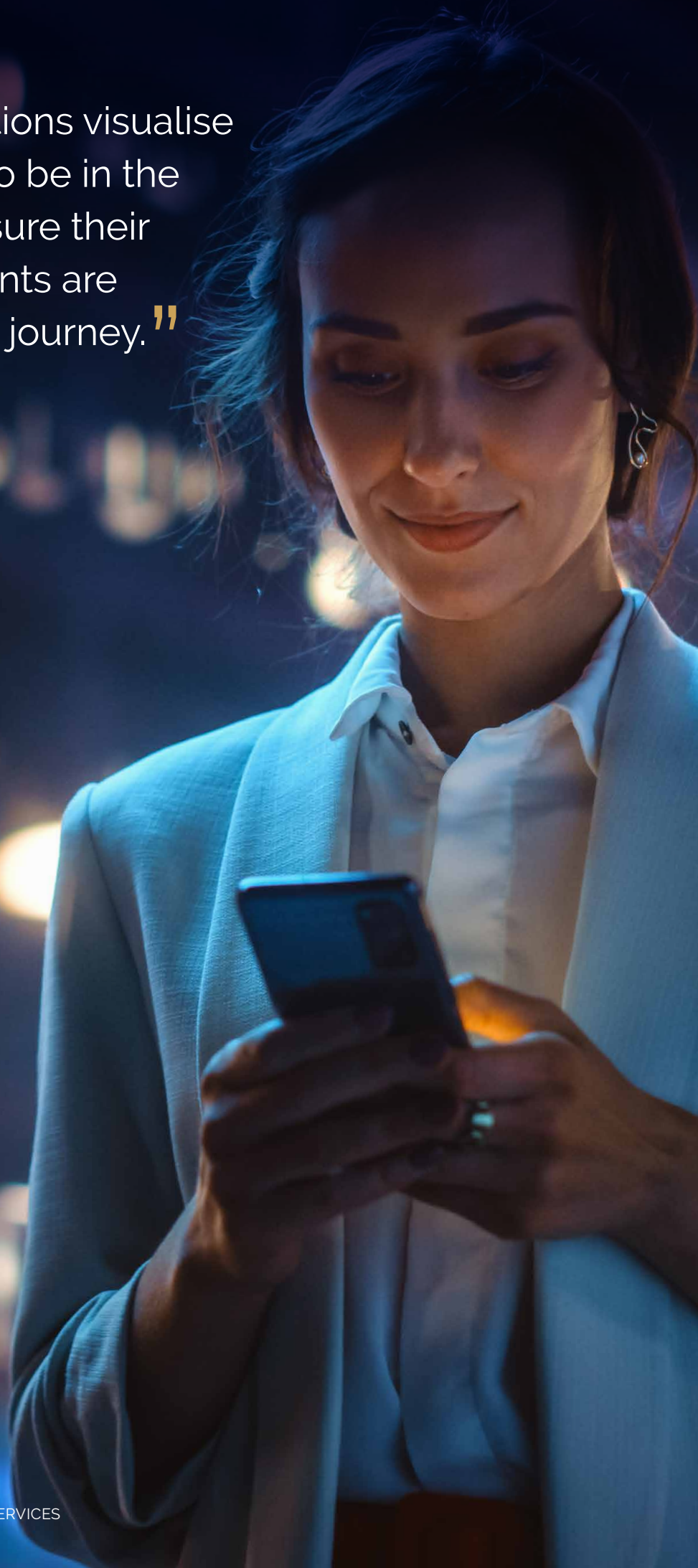
We are more aware than ever that the world can change overnight. With this constantly shifting landscape comes great complexity. So, how can businesses and organisations not only survive, but look to thrive in the face of uncertainty? The answer is by building trust through resilience, and by developing pragmatic and innovative approaches to the achievement of your mission and/or strategic outcomes, which has never been more important.

We bring together specialist disciplines and commercial acumen to give you the insight, foresight and independent advice you need to build and safeguard the value of all parts of your business, as well as to build trust with your stakeholders. We'll transform the way you perceive and navigate risks, so that you can stay at the forefront of change.

In this guide, we detail how we can support businesses and organisations to build trust through developing an approach to governance, risk and control that is proportionate, pragmatic and value generating.



“The best organisations visualise where they want to be in the long term and ensure their internal departments are geared up for that journey.”



Internal audit

Internal audit has a critical role to play in preserving business value and in improving existing operations to drive greater efficiency. Organisations and businesses are increasingly facing scrutiny of their governance, risk and control mechanisms, and need to demonstrate that their corporate responsibility and approach to risk are both robust and transparent. These responsibilities are made more onerous by the changing legal and regulatory landscape and the fast-evolving nature of the risks they face.

Evelyn Partners

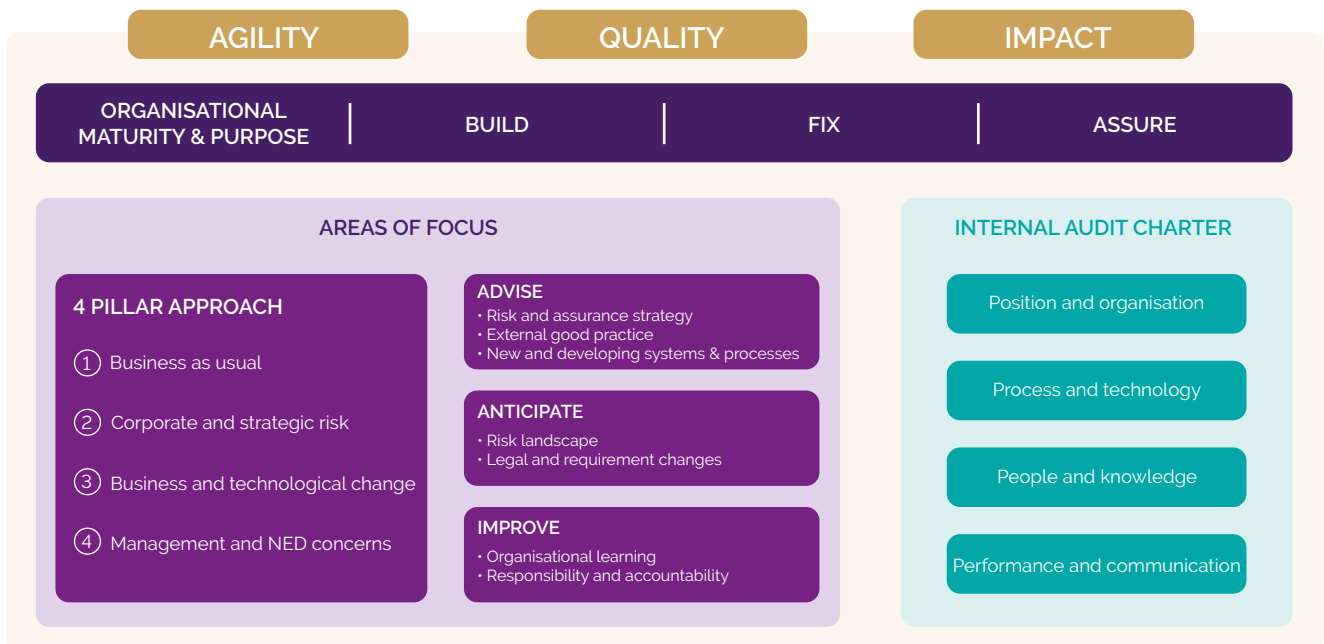
Our fast-growing team of Internal Audit professionals are all Big 4 trained but have undertaken extended periods working in industry as buyers of professional services. This experience means that they understand the importance of bringing an agile, professional and high quality service that is delivered by senior professionals. Evelyn Partners brings a unique and differentiated service to our clients: not only have our approach and methods developed and evolved over decades of delivering internal audit solutions, but they are tailored around our clients and their specific needs and requirements.

Organisational outcomes

Our approach to delivering impactful advice and assurance is built around one core principle: that Internal Audit should be focused on enabling companies and organisations to better deliver on their outcomes.

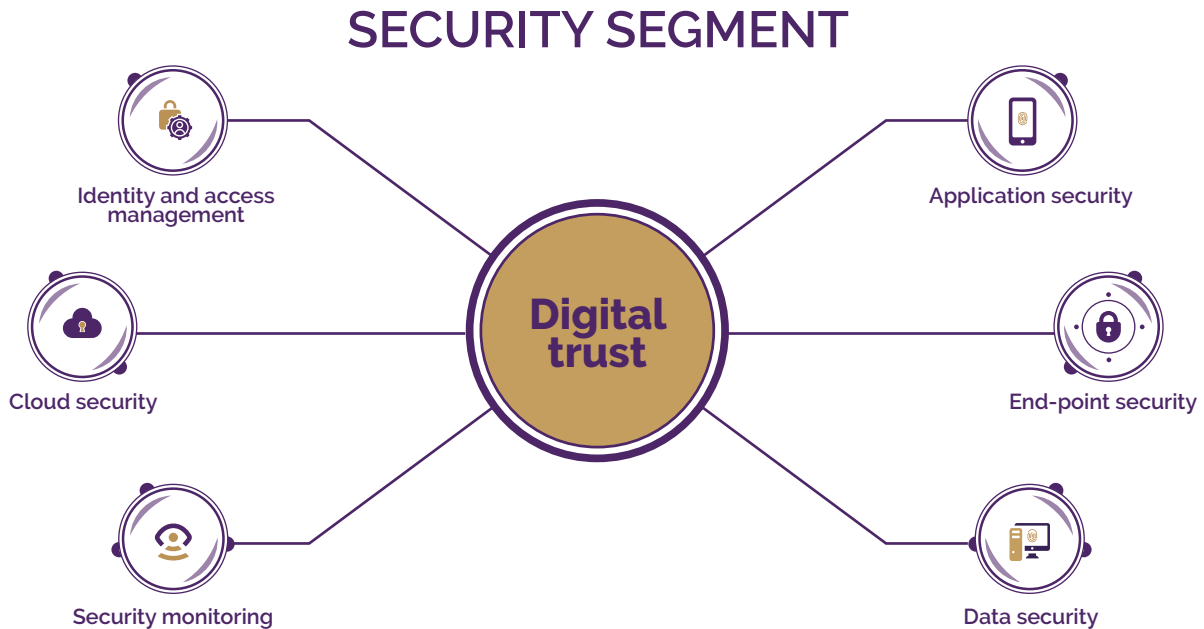
The approach we adopt, as outlined below, is flexible and subject to the relative organisational maturity of internal control frameworks over the areas under review. For instance, for new or developing systems or processes, we may adopt a 'build' or 'fix' approach to support our clients to develop pragmatic yet robust processes. For more mature systems and processes we would seek to provide insightful assurance. We believe that, when combined with the approach we take in developing Internal Audit programmes based on our 4-pillar approach, we not only provide real impact to our clients in the way we focus and target our advice and support, but that we do so in full collaboration with them.

Our 4-pillar approach has evolved over decades of delivering internal audit across a range of sectors. We believe by focusing only on organisational risk that internal audit programmes have missed key areas of assurance.



Digital trust

Digital trust is crucial to business growth and is dependent on security. Complexity is here to stay, but we can provide clarity.



How we can help

Our technology risk experts help organisations to design and evaluate the effectiveness of their cybersecurity programs in the context of their operational and growth strategies. We provide clarity over an organisation's current cyber risk posture and capability, helping them to understand why and how to invest in managing cyber risks.

Our team will work with you to establish and test frameworks that develop digital trust with your stakeholders. Whether this is by establishing and implementing processes tailored to you, or by providing independent assurance over the core elements of digital trust, we will help you gain confidence in your organisation's ability to achieve and sustain regulatory compliance and to remain resilient in an ever-evolving and increasing threat landscape.



IAM

Assessing the effectiveness of identity and access management (IAM) capabilities through maturity assessments and configuration reviews.



Cloud security

Assessing the strength of cloud controls to address internal and external threats as organisations incorporate cloud-based tools and services as part of their infrastructure.



Security monitoring

Assessing the organisation's mechanisms to detect cyber threat and data breaches. Typically this would look at the approach to monitoring IT infrastructure and the blocking of malicious activity to prevent damage or data loss.



Application security

Assessing the effectiveness of processes and controls to protect software applications from external threats and vulnerabilities.



End-point security

Assessing the organisation's ability to prevent third parties from using end-user devices, such as laptops, to gain unauthorised access to networks, applications and data stores.



Data security

Assessing the organisation's processes and controls to safeguard data throughout its lifecycle and protect it from corruption, theft and unauthorised access.

Enterprise risk management

From regulators to investors and stakeholders, companies and organisations are under increasing pressure to be able to clearly articulate how they identify the principal risks to their business and how they ensure these are being managed within their risk appetite. Effective enterprise risk management (ERM) is an integral part of good governance and should be seen as part of the bedrock of all successful companies.

The landscape and our approach

The FRC's consultation process following the publication of the Governments 'Restoring trust in audit and corporate governance' provides clear direction on the development of the UK Corporate Governance Code. This will likely require a Director's declaration on the effectiveness of both the risk management and internal control systems, together with a comply and explain narrative of how they have monitored this.

In our experience, having an ERM framework that is flexible but which evolves with an organisations risk maturity should be viewed as a foundation upon which companies and organisations understand the risks and opportunities they face, it should also enable them to build proportionate but pragmatic internal control frameworks that manage and exploit risk in line with their risk appetites.

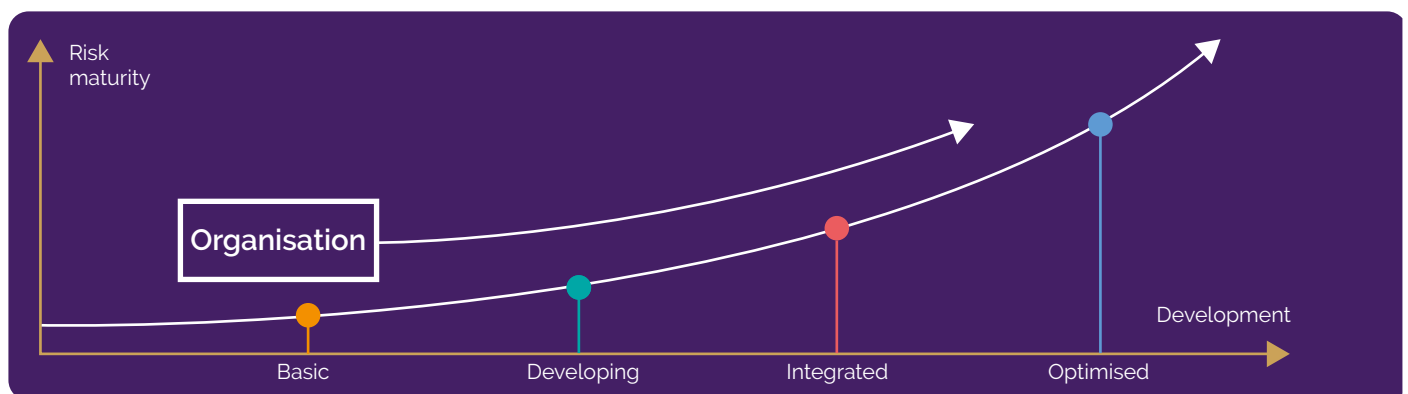
Our experienced team of risk management professionals have a proven track record of translating risk management theory into pragmatic and value added solutions.

We understand the importance of supporting organisations on their journey to drive real value from the investment they make in their ERM processes.

It is our philosophy that assessing where organisations are on the risk maturity curve and, more importantly, where they want to be, are critical steps to defining solutions that work for our clients. Too often we find that ERM solutions are externally-imposed text-book solutions that require significant resources to initiate and to maintain and, even then, deliver little value or insight. Furthermore, the ERM is too often overly focused on the risk register, producing outputs that are large in number, static and/or offer nothing more than a tick box approach to doing 'risk management'.

Our bespoke approach to developing ERM frameworks for our clients enables them to link their risks to their strategic priorities and outcomes; provides a sufficient focus on their risk mitigations and key risk indicators; offers a top-down as well as bottom-up view of risk; and, provides insights that enable better decision making to drive organisational improvement. We work collaboratively with businesses to provide tailored, pragmatic solutions that add real value.

RISK MATURITY CURVE



Our Risk Maturity Model defines an organisation's baseline maturity, which can be enhanced to a desired level along the curve through a tailored range of actions.

ESG

Environmental, Social and Governance (ESG) related considerations have become the number one on most companies' and organisations' risk registers. These are increasingly focussed on by companies, regulators, investors and other stakeholders in response to the climate crisis and increasing urgency around culture, behaviours, diversity, inclusion and equality. Sustainable and ethical companies who seek to factor in their social impact to the way they operate are likely to be higher performing, be more attractive places to work for new graduates, and more resilient to emerging risks.

In June 2023, the UK Government concluded a consultation process looking at the future regulatory regime which sought to address industry wide concerns about the range of ESG ratings providers which could impact on the confidence stakeholders have. The consultation process is likely to lead to greater regulation regarding the transparency of methods, governance and processes in relation to ESG and the ratings providers.

Our sustainability team provide a complete ESG advisory and assurance service to our clients.

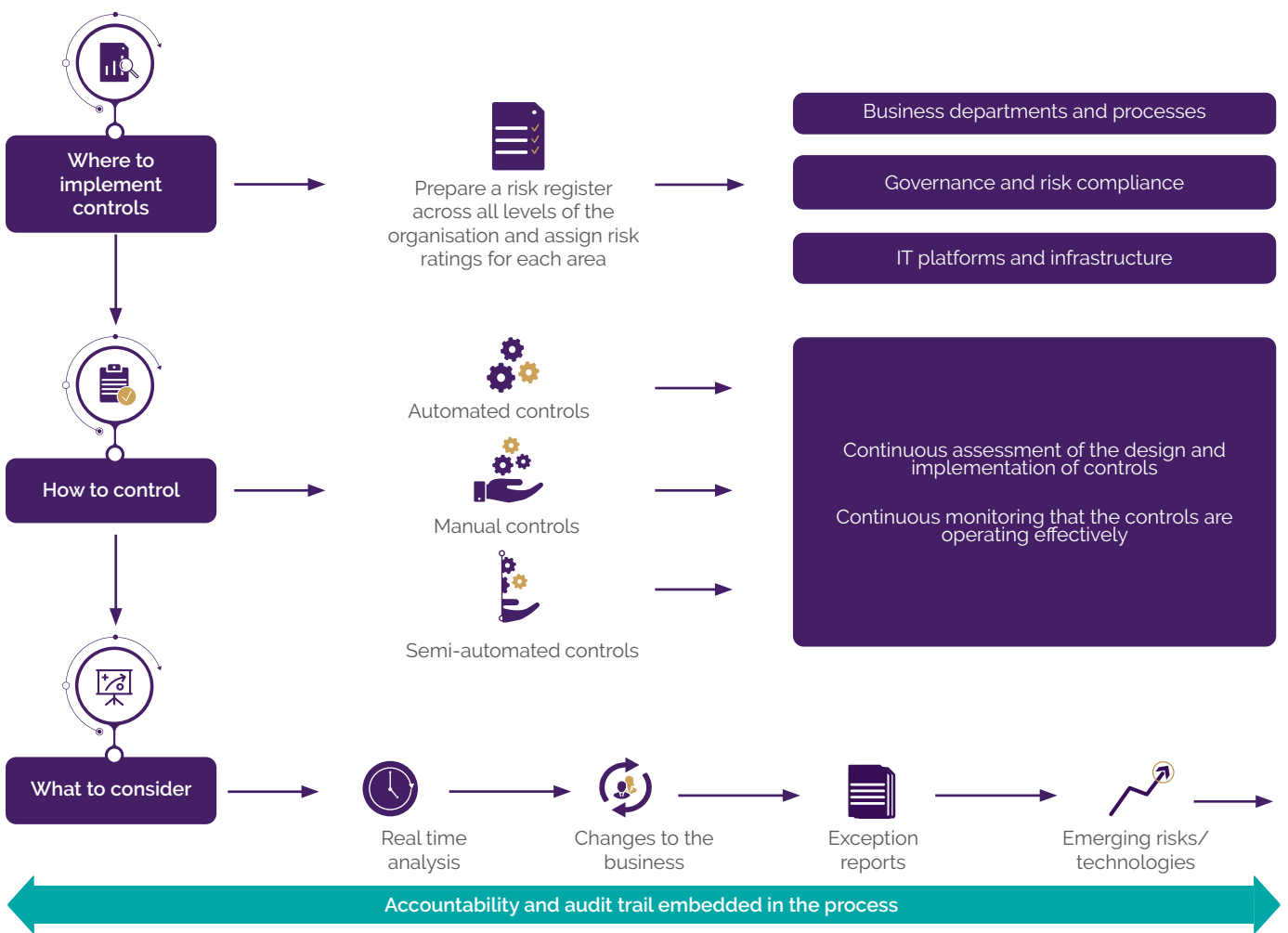
We advise a range of businesses on their ESG ambitions, from developing an ESG Strategy; support with the development of social and human capital approaches and policies; advise on carbon accounting and organisational approaches to achieving net zero; through to sustainability and regulatory reporting (including TCFD).

Our sustainability services are provided by a multi-disciplinary team made up of risk, advisory, audit and assurance specialists who have built a deep understanding of ESG approaches, and can provide our clients with a one-stop solution. Whether it is advisory support or independent assurance, our team have the skills and experience to support our clients. They are backed by a number of strategic partnerships, including Normative, who work with us to provide a carbon accounting engine which helps businesses measure exactly how much emissions they generate. We work with Normative to support clients to identify areas to reduce their carbon footprint. In addition, we have also partnered with AuditBoard, the leading governance, risk and control product which has an integrated ESG module.

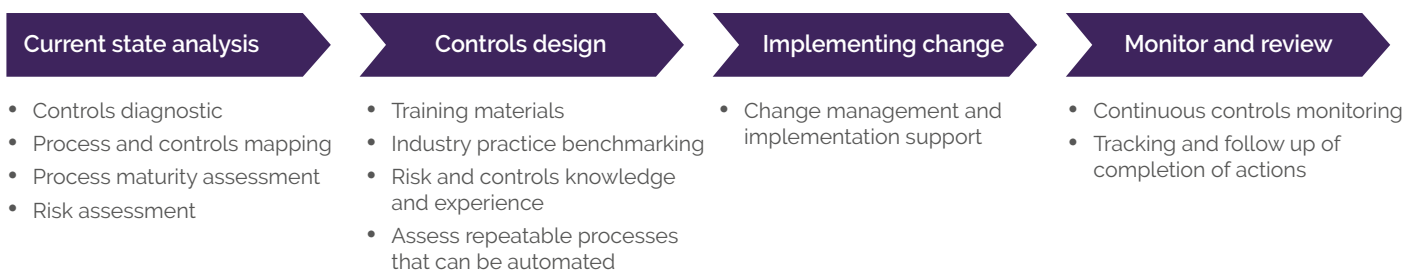


Controls transformation

A robust control environment is one that is tailored for the business processes of an organisation. The appropriateness of business processes and key controls for areas of high risk should be reviewed at regular intervals (being at least annually) or a review should be triggered as part of the business's change management policy for changes to business processes or IT systems. Below provides a skeleton structure of items that management need to consider to create this robust control environment:



How we can help



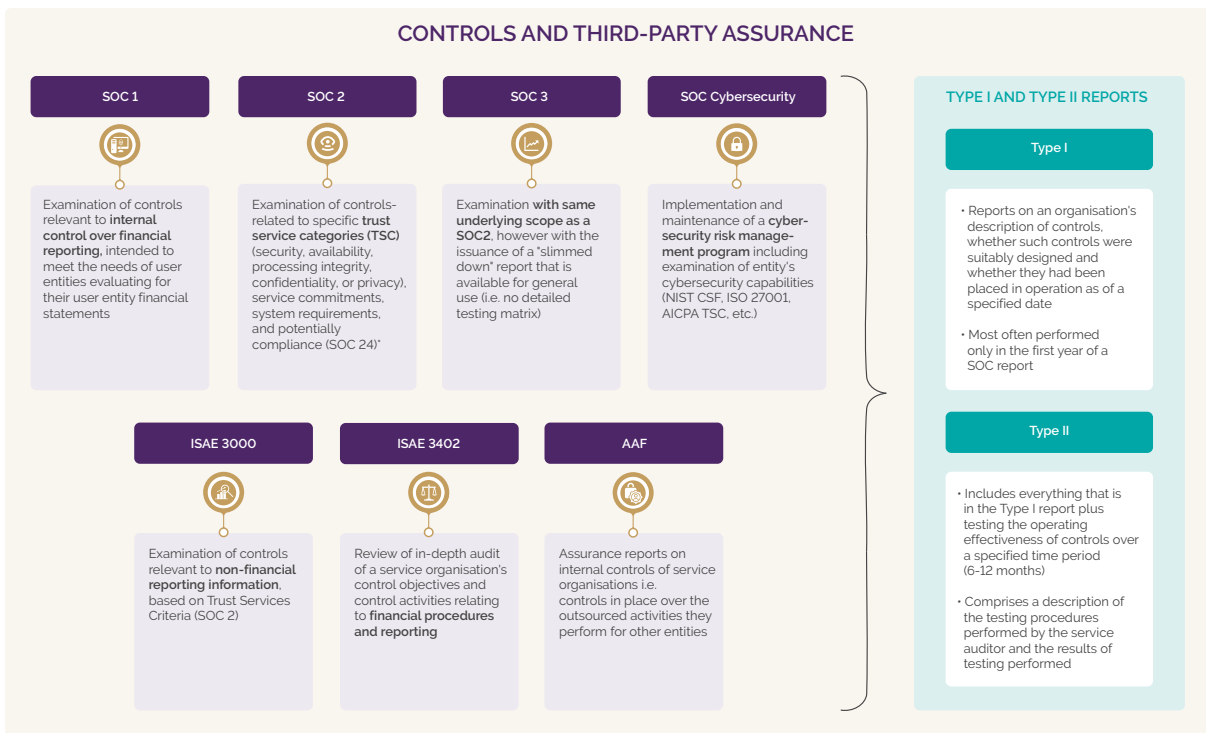
Controls and third-party assurance

In a complex and interconnected world, organisations are placing more reliance on third-parties to achieve their objectives than ever before. Against this backdrop, we offer a range of controls and third-party assurance services to help clients meet their ever-evolving needs.

Controls assurance services for OSPs

Increasingly, companies are outsourcing business processing activities to Outsourced Service Providers (OSPs). This dependence on OSPs creates additional corporate governance concerns relating to cyber and security threats, data quality issues, privacy legislation and regulatory requirements.

In this environment, it is critical for OSPs to be able to communicate information about their risk management and internal controls environment to their clients and other stakeholders. One of the most effective ways of doing so is through controls assurance reporting. If your organisation is an OSP, we offer a range of controls assurance services that will provide your customers with the assurance they need.



Grant audit services


If your organisation has received a grant from a funding body, it's highly likely that you'll be required to obtain an independent auditor's report to validate that any expenditure you've incurred has been in accordance with the terms of the grant. Our experienced team will work with you to develop an appropriate audit response, based on the specific conditions of your grant.

Royalties audit services

If your organisation is a licensor that earns royalties from licensees, whether for franchising, technology, merchandising, sport or entertainment, you'll want to ensure that you receive the money to which you're entitled, on time and in full. We can help you to do just that by performing a royalties audit of your licensee, to give you the confidence you need over income you receive from them.

Contract audit services

Strong contract management is critical to cost-effective procurement, and performing a contract audit can provide your organisation with the comfort that it is getting the most out of its relationships with key suppliers. We provide bespoke services based on your needs, including contract compliance audits, pricing audits and contract management audits.

A woman with blonde hair, wearing a white collared shirt and a lanyard with an ID badge, is looking down at a blue tablet she is holding. She is standing in a server room, with rows of server racks visible in the background, illuminated by blue light. The overall atmosphere is professional and focused.

“ A robust control environment is one that is tailored for the business processes of a company. ”

Operational resilience

For many organisations, the Covid-19 pandemic tested their ability to adapt to a 'new normal', with many reconsidering their appetite for risk. From regulated businesses who are required to have robust operational resilience requirements to non-regulated businesses who should have clear business continuity and disaster recovery plans, the need to gain assurance over these mechanisms has never been more critical.

Why does technology resilience matter?

Technology resilience remains one of the major challenges facing businesses and yet boards typically receive very little assurance that management understands the vulnerabilities that exist, the quality of arrangements currently in place and whether testing is effective.

How we can help

Evelyn Partners' risk advisory team is experienced in advising on operational resilience. The team has worked with a wide range of organisations, providing the following:



Vulnerability assessments

- Evaluating all critical services to ensure that all end-to-end dependencies have been identified. Looking at Recovery Time Objectives (RTOs) for all vulnerability scenarios including security attack, natural disaster, internal and external threats

Resilience assessments

- An in-depth assessment of the security and resilience plans in place against the vulnerability assessment and established good practice

Assessments of oversight and monitoring

- Assessing how management monitors and predicts emerging performance issues across IT infrastructure. We look at whether the assurance provided to the Board and senior management is appropriate, informative, robust and timely

Strengthening the Five Pillars of Operational Resilience

We can assist your organisation in strengthening the following aspects of its operational resilience:

Pillar:	Includes:
Risk management	Managing utility failures, power outage, natural disasters, significant reductions in on-premises staff etc
Information and cyber security	Ensuring Confidentiality, Integrity, and Availability (CIA); developing response plans
Incident management	Managing disruption through service level agreements, out of hours arrangements, and emergency processes
Business continuity	Development of BCP plans, recovery timeframes, SLA agreements, and roles and responsibilities
Disaster recovery	Consideration of people, equipment and facilities, lessons learned and future planning

A photograph of a business meeting with a blue digital overlay. The overlay features a network diagram with nodes and lines, and a data table with columns for 'System', 'Status', and 'Action'. The table contains several rows of data, including system names like 'System A', 'System B', and 'System C', and their corresponding statuses and actions. The background shows people in business attire looking at a screen or document.

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Counter fraud services

The UK is operating in a highly dynamic environment, with a huge acceleration seen in digital transformation. Following the Covid-19 pandemic, there has been a huge rise in e-commerce, digital communication, mass hybrid and remote working, which has created opportunities for fraudsters where they are quick to take advantage of new technology in order to create scams and fraud schemes that play on the relevant topics of the day.

Against the backdrop of an increased focus and desire to strengthen the responsibility and accountability of those charged with governance on the prevention and detection of fraud from the government and the regulators, the importance of businesses developing and maintaining robust frameworks to detect and prevent fraud from occurring is ever more apparent. We are increasingly supporting organisations to gain comfort over their fraud risk assessment and fraud risk frameworks to help prepare for the changes ahead and to protect against future financial loss and reputational damage.

How we can help

We have a team of counter fraud specialists, forensic experts, and risk professionals, who work across all sectors and business types, that can bring insights and resources to help identify and manage your risks of fraud. In order to manage your organisation's exposure to fraud risk, you need to understand your current state of defences and where you ideally need to be. Our team will provide clarity on the current maturity of your fraud risk management programme, using our fraud risk framework, and help you prepare a detailed roadmap for improvements.

In addition to building your approach to managing fraud risk, our team of experienced counter fraud specialists and forensic experts can oversee fraud and financial irregularity investigations for all business types within the UK and across jurisdictions, with a range of technologies that we can tailor around your needs.



Contact us



Andrew Manning, Partner

National Head of Risk Advisory

T: +44 (0)117 376 2460

E: andrew.manning@evelyn.com



Amanda Smith, Director

Risk Advisory

T: +44 (0)117 376 2422

E: amanda.smith@evelyn.com



Mark Hendry, Partner

Cyber Advisory

T: +44 (0)207 131 8772

E: mark.hendry@evelyn.com



Cathy Allen, Director of Controls Assurance

Risk Advisory

T: +44 (0)117 376 2099

E: cathy.allen@evelyn.com



www.evelyn.com

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