

Paul Kerr
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Your Reference

Assurance of SES Water annual performance report, 2022-23

Our Reference
100381272APR23

13 July 2023

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Cambridge CB1 2JD
United Kingdom

Dear Paul,

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My team undertook your APR23 audits this May/June, using a mix of in-person audits and online using Microsoft Teams. We reviewed technical aspects of your annual performance report data, processes, and conclusions. This letter sets out the scope of my audit, my findings, and my concluding assurance statement.

Scope and approach

Our scope was to check that you had good business processes, data, and calculations, and that the results were reported appropriately and subject to good corporate governance. We agreed tests in advance and had free access to your staff and data to carry out our audits.

We reviewed each of the performance commitments against which you are reporting this year. We reviewed the calculation of outcome delivery incentive payments or penalties, where applicable.

Findings and key recommendations

Where we identified discrepancies between data, calculations, and the FD19 performance commitment definitions, you corrected them at the time of audit or shortly afterwards. We **agreed** with your final reported performance results.

We noticed good peer review and checking where tables were prepared well in advance of audit, but where tables were prepared later more results changed as a result of audit. We therefore **recommend** a continued focus on early preparation and checking of results tables.

We noticed continuing significant challenges arising from personnel leaving and joining your company just before year end. We **recommend** further improving your hand-over processes so that it is easier for people new in role to compile their annual reports.

Assurance statement

I refer to my review of technical aspects of SES Water’s annual performance report, which have been audited under my direction. We were given free access to people and information as necessary to complete our work.

In my professional opinion, based on and to the extent disclosed by sampling carried out and as described in my report to SES Water dated 13 July 2023:

1. The tables 3A-3F performance commitment data have been completed appropriately.
2. The technical data in tables 4A, 4R, 4Q, 5A, 6A, 6B, 6C, 6D and 11A has been compiled appropriately.
3. Errors and omissions were corrected as a result of our audits.
4. We made recommendations for continuing improvement on timeliness of preparation, and the handover process when new joiners are responsible for annual reports.

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