Appendix 1

This assessment seeks to confirm that the company has suitable governance and internal control arrangements in place in order to provide assurance to the Shareholer Board

There are 11 sections covering the following;
Section 1 - Company Operation
Section 2 - Roles and Behaviours of company Directors
Section 3 - Board Composition, Skills & Development
Section 4 - Role of the Board Chair
Section 5 - Roles and Behaviours of the Board
Section 6 - Role of Executive & Non-Executive Directors
Section 7 - Business Planning
Section 8 - Financial Management
Section 9 - Risk Management
Section 10 - Ethical Conduct
Section 11 - Performance Management

Each section contains a number of statements and your assessment should state confirm whether or not the company, to the best of the Board's knowledge, is compliant with each

You are required to list the evidence that may be available to support your conclusions e.g. Board meeting minutes, available policies/procedures, declarations of interest. This

Where a response of 'No' or 'N/A' is provided, you should advise in the exemption note column what action is being taken to lead to compliance with the statement or the reason the

The assessment may be completed by any officer of the company but must be approved by the Board and signed by the Chair.

Annual Assurance Statement [financial year]: [Insert Company Name]

This statement on behalf of the Board outlines the results of a self-assessment acknowledging the company's responsibility in delivering practices that promote proper systems of governance and internal control, and that these are followed and maintained.

The Board acknowledges its responsibility in ensuring that company policies and procedures are followed, and that proper systems of governance and internal control are maintained in all business areas. This responsibility incorporates the requirement to monitor and review the operation of these systems as part of the council's risk management processes.

In completing this exercise, it is acknowledged that appropriate governance and internal controls can provide only reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or will be detected within a timely period.

The information provided in this document is given to the best of our knowledge and belief in connection with the company's business activities.

Officer completing this statement:	Caroline Beaumont
Job Title:	CFO
Date Completed:	18-Jun-25

Date approved by Board:	20-Jun-25
Signature of Board Chair:	

1. Company Operation

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
1.1	The company operates in line with the rules agreed by the shareholders, directors and the company secretary, in the Articles of Association	Yes	Scheme of delegation is monitored and updated as necessary and presented to Board for approval when changes are made. There are quarterly shareholder meetings and board meetings and monthly finance updates		
1.2	Any changes to the operating model of the company are discussed with the board and shareholders, with the Articles of Association reviewed and updated accordingly.	Yes	Quarterly Board meetings are attended by representatives of Medway council, including the Assistant Director, Legal and Governance, who provide oversight. Proposed changes are then presented to the Shareholder Board		
1.3	There is a record of the essential functions and other matters which are reserved for board decision and cannot be delegated.	Yes	There is a signed MOU and also an updated Scheme of Delegation. Minutes of the Shareholder Board will show Kyndi is going through the approval process for a group re-structure		

2. Role and Behaviours of Company Directors

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
2.1	Directors act in accordance with the seven Nolan Principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership.	Yes	Quarterly Board Minutes There is a rigorous selection process including appropriate due diligence background checks performed by independent recruitment agency		
2.2	Directors act within the remit of their powers.	Yes	There is a signed MOU and Delegated Authority matrix that specifies the Directors powers		
2.3	Directors promote the success of the company.	Yes	An annual awayday is attended by all Directors and SMT to discuss and define the 3-5 year strategy. The annual budget is reviewed and approved. Monthly management accounts are presented to the Finance Board. There is a remuneration committee. There are regular fortnightly meetings between the Chair and the CEO.The Directors actively promote the Group on LinkedIn and social Media		
2.4	Directors exercise independent judgement.	Yes	Quarterly Board minutes.		
2.5	Directors exercise reasonable care, skill and diligence.	Yes	Quarterly Board minutes.		
2.6	Directors avoid conflicts of interest	Yes	Quarterly Board minutes - Declarations of interest at Quarterly Board and Shareholder meetings. Register of interests		
2.7	Directors do not accept benefits from third parties	Yes	Kyndi - bribery policy. Gifts and Hospitality register		
2.8	Directors declare interests in any proposed transactions or arrangements within the company	Yes	Quarterly Board minutes - Declarations of interest at Quarterly Board and Shareholder meetings. Register of interests		

3. Board Composition, Skills & Development

To the best	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
3.1	The board includes a range of skills and backgrounds including commercial, financial, business development, technical, legal and HR experience	Yes	Board skills matrix completed before selection process and to be maintained going forwards. Board members selected to fill the identified skills required. All NED's aim to attend 90% or more of Kyndi Boards/Committees and the Awaydays where they share their knowledge and expertise		
3.2	Appointments to the Board have been subject to formal selection processes.	Yes	New Board appointed Q3 2024/25. Process run by CEO and Medway council. Pre-selection by appointed agency, and formal interviews		
3.3	Board composition is reviewed regularly to ensure it remains fit for purpose.	Yes	Skills matrix to be completed every 4 years		
3.4	Board members have received appropriate training in relation to their legal roles and responsibilities, including those under the: - Companies Act 2006, - Insolvency Act 1986, - Bribery Act 2010, - Modern Slavery Act 2015, - Data Protection Act 2018, and - Health and Safety at Work etc. Act 1974	Yes	Each received half day induction, Director training to be introduced with Medway Council support, sourced by Kyndi. All directors bar one have prior Board experience. All NED's are attending the Chartered Governance Institute Annual Conference 2025 - 2 days of governance issues and legal updates		
3.5	There are annual evaluations of Board and Chair performance, with recommendations for additional training as necessary.	Yes	The new Board commenced Q4 2024/25 and annual reviews will be performed on anniversary of appointment		

4. Role of the Board Chair

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
4.1	The Chair acts in accordance with the seven Nolan Principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership.	Yes	Quarterly Board Minutes There is a rigorous selection process including appropriate due diligence background checks performed by independent recruitment agency		
4.2	The Chair formulates the Board Strategy and ensures relevant issues are on the agenda.	Yes	Chair approve quarterly Board agendas and monthly finance agendas. Annual strategy Awayday attended by all directors and SMT		
4.3	The Chair ensures all Executive and Non-Executive Directors are enabled to contribute to Board activities.	Yes	Quarterly Board minutes. Fortnightly meetings with Kyndi CEO. Monthly finance board		
4.4	The Chair ensures that the Board is in full control of the company's activities.	Yes	Quarterly Board minutes. Fortnightly meetings with Kyndi CEO. Monthly finance board		
4.5	The Chair promotes the effective & efficient use of staff and resources.	Yes	Quarterly Board minutes. Fortnightly meetings with Kyndi CEO. Monthly finance board		
4.6	The Chair ensures delivery of high standards of integrity and propriety in company activity.	Yes	Quarterly Board minutes. Fortnightly meetings with Kyndi CEO. Monthly finance board		

5. Roles and Behaviours of the Board

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
5.1	The Board operates openly and transparently.	Yes	Quarterly Board minutes and Quarterly shareholder meetings minutes and reports		
5.2	The Board meets regularly, with due notice of the issues to be discussed supported by the necessary paperwork, and retains a record of all matters discussed and conclusions reached.	Yes	Monthly finance board, quarterly board meetings and minutes, quarterly shareholder meetings and minutes		
5.3	The Board promotes the success of the company by directing and supervising the company's affairs	Yes	Monthly finance board, quarterly board meetings and minutes, quarterly shareholder meetings and minutes. Annual Awayday. Chair and CEO fortnightly meetings		
5.4	The Board provides entrepreneurial leadership within prudent and effective controls, where risk is assessed and managed	Yes	Update of risk register with Board guidance and support. Quarterly review of risk register at Board meetings. Quarterly shareholder meetings with review of risk register. Annual Awayday to set 3-5 year strategy		
5.5	The Board sets strategic aims and ensures sufficient resources (financial and human) are available to meet objectives	Yes	Annual Awayday to set strategy. Approval and review of annual budgets and forecasts. Monthly finance board.		
5.6	The Board reviews management performance	Yes	Monthly finance board, quarterly board meetings and minutes, quarterly shareholder meetings and minutes		
5.7	The Board sets corporate values and standards	Yes	Strategic plan includes Mission, Vision and Values is reviewed and approved by Board and shareholder Board		
5.8	The Board ensures obligations to shareholders and others are met	Yes	Quarterly shareholder reports and meetings and quarterly Board reports with shareholder representation		
5.9	The Board has processes to ensure that the entity continues to be financially viable, supported by the role of its external auditor.	Yes	Monthly finance report and board meeting including forecasts updated and cashflow forecasts. External audit reports and presents their findings to the Board on completion of annual audit		
5.10	The Board has processes in place to deal with financial issues, including business planning, budget control, financial systems and financial monitoring and reporting.	Yes	Annual calendar of meetings with deadlines and information to be presented including external auditor feedback, management accounts comparing actual to budget, forecasts, cash-flow, KPI's		
5.11	The Board undertakes in-depth consideration of company matters that are deemed significant, including new projects, exiting projects, approvals and endorsement of advice	Yes	Significant projects require Board approval before commencement. MOU and Scheme of delegation outlines required approvals for projects. See Board minutes, agendas and papers		
5.12	The Board ensures that workforce policies and practices are consistent with the company's values and support its long-term sustainable success.	Yes	HR come to quarterly Board meetings, HR KPIs, Quarterly CEO communication to the Company		

6. Role of Executive & Non-Executive Directors

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes
6.1	Executive & Non-Executive Directors act in accordance with the seven Nolan Principles: Selflessness, Integrity, Objectivity, Accountability, Openness, Honesty, Leadership.	Yes	Quarterly Board minutes and Quarterly shareholder board minutes	
6.2	Executive Directors implement the Boards plans and policies.	Yes	Fortnightly meeting between CEO and Chair, minutes of quarterly Board and shareholder boards. Policies have been through update and review and in the process of agreeing which policies are Board responsibility.	
6.3	Non-Executive Directors challenge and contribute to the development of the company's strategy.	Yes	Annual awayday attended by all NEDs and SMT to set strategy. Approval of forecasts and budgets, and review monthly of performance against budget in monthly finance board and quarterly Board and shareholder boards	
6.4	Non-Executive Directors monitor reporting of performance and scrutinise performance of management in meeting agreed goals.	Yes	Remuneration Committee is set up. New KPI's around one to ones and annual appraisals which do occur monthly/annually but will be reported on dashboards within management reporting to NEDs	
6.5	Non-Executive Directors satisfy themselves on the accuracy of financial information and that financial controls and risk management are robust and defensible	Yes	Annual external audit by KLSA and report of audit findings to Board	
6.6	Non-Executive Directors determine executive directors' remuneration and have a prime role in appointing/removing senior management	Yes	Remuneration Committee has been set up and will report to Board. Remuneration policy has been agreed by shareholder and payrises are approved by the Board	

7. Business Planning

Ref	Responsibility	Confirmed	Evidence to support conclusion	Exception	Notes
7.1	The company has a documented business plan, setting out it's objectives and how these are to be resourced and achieved.	**Yes**	See shareholder Board minutes approving company business plan		
7.2	A business planning process is undertaken at least annually, which considers; - The core business offering and potential future services/innovations. - strategy and implementation, underpinned by effective marketing, communications, and branding strategies - financial break-even analysis, projected surplus or deficit, cash flow, balance sheet and reliance on trading income - operations and management (analysis of capacity and capabilities to fulfil its purpose, workforce planning, board development, support services, managing the supply chain and clients) - market analysis of trends and competitors.	**Yes**	Annual Awayday resulting in 3-5 year business plan, supported by annual budgets and monthly updated forecasts, includes cashflows, balance sheet. Quarterly board minutes show business development updates and scoreboards, and quarterly shareholder and CEO reports. Review of 2025/26 planned for September 2025		

8. Financial Management

To the best	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
8.1	The company has an independent financial status from the council, including separate bank accounts and designated signatories.	**Yes**	Bank mandates with Nat West		
8.2	The company has a set of documented financial policies and procedures	**Yes**	See policies and procedures		
8.3	The financial implications, particularly Value for Money, are assessed in all decisions that are made.	**Yes**	CFO receives copies of all proposals and tenders. Contracts are reviewed for financial and legal implications. Financial models are prepared to support major decisions		
8.4	There are controls in place to ensure that: - charges are levied at the appropriate level/rates, - all income is collected, or pursued in instances of non-payment, - where possible payment is collected in advance of service delivery	**Yes**	Annual review of prices and competitors, detailed budgeting and forecasts, robust debt collection processes, outstanding debts and monthly movement reported in management accounts to Board, Non Private pay contracts which are material are invoiced mainly in advance		
8.5	There are controls in place to ensure that all expenditure is legitimate and properly authorised.	**Yes**	PO and payment authorisation processes on Xero accounting system ensure all payments are legitimate and authorised. Also tested by external audit		
8.6	There are controls in place to ensure that where required, assets are properly recorded on company inventory.	**Yes**	Physical year end stock take showed little variance between Book and physical stock		
8.7	All assets are appropriately safeguarded against theft or damage.	**Yes**	Held at the Control Centre in Strood which is a secure location, or ICM which has adequate security systems		
8.8	There is appropriate segregation of duties to reduce the risk of fraud.	**Yes**	Authorisation processes in Xero, approval of payments by CFO, approval of material contacts by Board and SMT		
8.9	There are controls in place to ensure the accuracy and legitimacy of financial information held within the accounts, including review by qualified accountants	**Yes**	Annual audit process and feedback to Board by auditors, monthly review of management accounts by NEDs, Quarterly reports and review by Board and Shareholder		
8.10	Board reports clearly outline the current financial position of the company in terms of its trading position (income and expenditure), liquidity (cash flow) and solvency (balance sheet).	**Yes**	See monthly finance reports and quarterly Board and Shareholder Board reports and minutes		

9. Risk Management

To the best	Responsibility	Confirmed	Evidence to support conclusion	Exception Notes	
9.1	The board has agreed an approach to risk management that is proportionate to the company's operating model	**Yes**	Board minutes and shareholder board minutes show reviewed quarterly. Approach and register being updated to current best practice and reflect the strategy agreed at the Awaydays		
9.2	The board has overall responsibility for ensuring that appropriate risk management arrangements are in place	**Yes**	See Board and Shareholder Board minutes		
9.3	There is a documented register outlining key risks and mitigating controls	**Yes**	See Board and Shareholder Board minutes and risk register		
9.4	The board regularly reviews risks and how they are being managed	**Yes**	See Board and Shareholder Board minutes		

10. Ethical Conduct

To the best	Responsibility	Level of co	Evidence to support conclusion	Exception Notes	
10.1	All officers and Directors are aware of and uphold company's values and behaviours.	**Yes**	Part of the Strategic plan and induction processes. Code of conduct has been introduced.		
10.2	All officers and Directors are aware of and comply with the company code of conduct.	**Yes**	Induction processes for directors and staff, staff handbook has to be signed as read and agreed, company policies are accessible on Breathe		
10.3	All officers and Directors carry out their duties in line with company policies.	**Yes**	Quarterly reporting and oversight by Board and Shareholder Board, external audit, weekly updates and monthly SMT meetings, review of action logs weekly and monthly		
10.4	All decisions delegated to Directors/officers are exercised lawfully and that they are intra vires.	**Yes**	Signed Articles and MOU and delegated authority matrix is designed to ensure intra vires decisions		
10.5	Arrangements are in place to ensure all Directors and officers abide by relevant professional standards.	**Yes**	One to ones's monthly, annual appraisals, company handbook and employment contracts, remuneration committee scrutiny, HR reporting at monthly SMT and quarterly board meetings		
10.6	Employees are encouraged to report concerns around unethical, or potentially illegal, behaviour and have clear routes to raise such concerns. E.g. if they are unclear of the lawfulness of a proposed decision, or decision taken.	**Yes**	See whistleblowing policy		

11. Performance Management

To the best	Responsibility	Level of co	Evidence to support conclusion	Exception Notes	
11.1	Available resources are planned, deployed, and monitored for the delivery of the company objectives.	**Yes**	Two re-structuring processes have occurred in last 18 months based on process changes and review of resources. Awayday has identified skills shortages which will be addressed. Rota systems ensure adequate cover in control centre		
11.2	The use of resources is kept under continuous review, with appropriate action taken to address any instances of ineffective, inefficient, and uneconomic use.	**Yes**	See quarterly Board minutes. Fortnightly CEO and Chair meetings. Two re-structures in last 18 months		
11.3	Key performance indicators and outputs are aligned with the objectives outlined in the business plan.	**Yes**	KPI's are being refined and developed further and will be updated with the new business plan but have been in place for two years as part of the one to one and appraisal process and reported at monthly SMT meetings		
11.4	Action plans are set for individual areas of business to assist with the achievement of key objectives.	**Yes**	Actions are agreed with individuals as part of the one to one and appraisal process based upon the business plan. Each member of SMT is set targets to cascade down. Action logs kept for SMT and Board meetings		
11.5	All employees have periodic performance reviews with SMART objectives and targets that align with delivery of the business plan.	**Yes**	One to one and appraisal meeting notes highlight targets and objectives that are monitored and updated monthly. Recording has been sporadic but Breathe indicates meetings are happening. Recording is being tightened up and reported as a KPI to SMT and Board		