



Annual Small Company Reporting

RISK AND COMPLIANCE STATEMENT

2017

As a statutory water and sewerage company, and having taken a proportionate approach to regulatory compliance within the water industry, Albion Water has a full understanding of, and is meeting, its regulatory obligations and, through its presence on site and its day to day communication with customers, understands and aims to meet its customers' expectations. This is reflected in its exceptionally good achievements as recorded in its developing performance indicators (Key Performance Indicators are published on our website). Albion Water's Board has satisfied itself that it has adequate control processes and internal systems in place to meet or exceed its obligations. These systems and processes enable Albion Water to identify, manage and review existing and potential future risks, and are themselves reviewed periodically.

The Directors confirm that the company was in compliance with Licence conditions F6A.2A & 2B of the Instrument of Appointment of the company as a water undertaker as granted by the Secretary of State for the Environment under the Water Industry Act 1991, in particular:

1. the Company will have available to it sufficient financial resources and facilities to enable it to carry out, at least until 31 March 2018, the Regulated Activities (including the investment programme necessary to fulfil the Appointee's obligations under the Appointment); and
2. the Company will, at least until 31 March 2018, have available to it management resources which are sufficient to enable it to carry out those functions; and
3. the Company has sufficient rights and assets available to enable a Special Administrator to run the business
4. all contracts entered into with any Associated Company are at arm's length, and include all necessary provisions and requirements concerning the standard of service to be supplied to the Company, to ensure that it is able to meet all its obligations as a water undertaker.
5. there are no links between Directors' pay and standards of performance

Luke de Vial
Managing Director