Integrated Reporting Working Group Update

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Agenda Item 13-A
Agenda

- Integrated Reporting WG Paper - next steps
- Feedback Statement IIRC
- Next steps - Integrated Reporting WG
Integrated Reporting WG Paper - next steps

- Publication after the IIRC releases its feedback statement
- Press release, tweet and posting on website, including link to project page
- Liaison with the IIRC
Feedback Statement IIRC: Overview of Feedback and Call for Action (1/3)

• 63 responses: majority professional bodies (22) and professionals in the field (20), 7 preparers, 2 investors, 6 regulators/stock exchanges/standard setters, 2 academics and 4 mixed collaborations

• Acknowledges that independent external assurance enhances credibility and trust

• …but is only one of the range of mechanisms that organizations use to enhance credibility and trust
• Assurance needs time to evolve and mature with <IR>
• Different views on priority for development of assurance
• Important to continue consultation with stakeholders
• Interim suggestions included:
  – Pursue alternative engagements, e.g. assurance readiness review, summary insight in maturity of the reporting process
  – Increase availability of suitably skilled assurance practitioners
  – Influence assurability of content and understanding subject matter, criteria
Feedback Statement IIRC: Overview of Feedback and Call for Action (3/3)

- General support: development of further guidance/standards
- Many: existing standards (ISAE 3000, Code of Ethics & ISQC1) can be used as basis for assurance on <IR> and help maintain consistency of language and approach.
- Other standards mentioned: AA1000 and ISO
- Different views: whether to develop (in time) a new standard for assurance on <IR>, or a broader focus/guidance to add to ISAE 3000
- In the interim: some form of guidance would be helpful
Other developments

• WBCSD (preparers): separate WG exploring assurance and developing a best practice guide and other guidance on assurance
• GRI Roundtables on assurance
• A few national auditing standard setters have set up committees to further explore the needs for guidance on assurance
• IIA: Different publications on enhanced role of internal auditors
  www.theiia.org
• IFAC: Different publications, including on integrated governance
  www.ifac.org/global-knowledge-gateway
Next Steps - Integrated Reporting WG

• Analyze feedback to the IIRC in more detail
• Continue dialogue on assurance and identify the technical assurance issues that need broader consultation
• Further research:
  – potential demand for activities to enhance the credibility of integrated reporting and other emerging aspects of external reporting
  – how assurance practitioners and NSS are addressing demands
  – how the IAASB’s existing International Standards might be applied and identify any gaps or areas that need to be updated