

Meeting: IAASB
Meeting Location: New York, USA
Meeting Date: September 21-25, 2015

Agenda Item 3

Integrated Reporting Working Group (IRWG)

Objectives of Agenda Item

1. The objectives of this agenda item are to:
 - (a) Inform the Board on the more detailed analysis of the responses the International Integrated Reporting Council received on its consultation on assurance.
 - (b) To obtain views Inform the Board on the process the Integrated Reporting Working Group (the IRWG) on the issues identified and proposed way forward as identified in *Assurance Engagements with Regard to Integrated Reporting and Other Emerging Developments in External Reporting – Issues and Proposed Way Forward* (see **Agenda Item 3-A**).
2. The discussion of this topic will follow the structure of the IRWG Issues Paper included as **Agenda Item 3-A**.

Integrated Reporting Working Group

3. The IRWG was launched in September 2014 and consists of the following members:
 - Merran Kelsall, IAASB Member and Chair of the IRWG
 - Marek Grabowski, IAASB Member
 - Ron Salole, IAASB Member
 - Sue Almond, IAASB Technical Advisor
 - Beth Schneider, Director Deloitte
 - Sandy van Esch, Representative of Independent Regulatory Board for Auditors
 - Michael Nugent, Technical Director International Integrated Reporting Council (IIRC) (Correspondent Member)

Activities

4. September 2014 - Initiation of the IRWG. The Terms of Reference for the IRWG include monitoring the developing interest in integrated reporting and the demand for assurance on integrated reports. This included initial thinking on the nature of such engagements, including the scope of the

assurance engagement, the suitability of the criteria, and other matters related to assurance on integrated reports.

5. December 2014 – Discussion at the IAASB meeting on the objectives, stakeholder engagement and proposed timeline as well as a Briefing Paper “Update on Market Developments in Integrated Reporting and Emerging Assurance Issues” summarizing some existing market research and investor and preparer surveys to date both with regard to integrated reporting and other emerging assurance issues.
6. March 2015 – Discussion on the Staff Awareness Paper “Assurance on Integrated Reports: An Emerging and Innovative Landscape”.
7. June 2015 – Panel discussion with external experts to update the Board on developments in integrated reporting and other developments in external reporting and the relevant assurance issues to date.

Activities since June 2015, IAASB Meeting

5. Since the June Board meeting, the IRWG has had one teleconference in June and one physical meeting in July and further liaised electronically. Before the June Board meeting Staff circulated the Working Group paper for fatal flaw comments. A brief summary of the changes made was provided during the Board meeting.
6. The IRWG also continued its interaction with the IIRC. The IIRC has published in July 2015 its paper *Assurance on <IR>: Overview of Feedback and Call to Action*¹ summarizing the results from the consultations on its Discussion Papers, “Assurance on <IR>: An introduction to the discussion” and a more technical paper “Assurance on <IR>: An exploration of issues” and its roundtables in partnership with various organizations around the world. In addition, the IRWG compiled a more detailed analysis of the response letters and discussed this at its July 2015 IRWG meeting.
7. The IRWG has discussed the feedback from the June 2015 meeting. The IRWG also analyzed in more detail the feedback that the IIRC received on its Discussion Papers and discussed the impact on the proposed activities of the IRWG. Further, the IRWG has engaged with different stakeholders to obtain further insight into the developments in integrated reporting and other emerging aspects in external reporting, including via inviting external experts (practitioners, preparers, directors, investors, national standard setters and other relevant stakeholders) to attend part of the IRWG’s meetings.
8. July 2015 – Working Group Publication: *Exploring Assurance on Integrated Reporting and Other Emerging Developments in External Reporting*, enclosed as Agenda Item 3-B
9. The IRWG has compiled an issues paper as a first step in the process towards a Discussion Paper, enclosed as Agenda Item 3-A.

Action Requested

8. The IRWG is would like to obtain views from the Board on the process proposed in the Issues Paper.

¹ See also *Assurance on <IR>: Overview of Feedback and Call to Action*, IIRC, July 2015

Material Presented

Agenda Item 3-A	Issues Paper: <i>Assurance Engagements with Regard to Integrated Reporting and Other Emerging Developments in External Reporting – Issues and Proposed Way Forward</i>
Agenda Item 3-B	Working Group Publication: <i>Exploring Assurance on Integrated Reporting and Other Emerging Developments in External Reporting</i>