

INTEGRATED REPORTING



AGENDA ITEM D.3
IAASB CAG MEETING
NEW YORK, USA
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Framework development

- Released December 2013
- Two year process
- Two formal consultation periods
- 500+ submissions
- 100+ pilot companies



Fundamental concepts

- <IR> looks *beyond* financial statement performance
- Through its **business model** and in accordance with its **strategy**, the organization uses and affects **capitals** to **create value** over the short, medium and long term
- This information should be communicated clearly and concisely to providers of financial capital



INTEGRATED REPORTING <IR>

3

The capitals

FINANCIAL



MANUFACTURED



INTELLECTUAL



HUMAN



SOCIAL & RELATIONSHIP



NATURAL



Guiding principles



- 1** strategic focus and future orientation
- 2** connectivity of information
- 3** stakeholder relationships
- 4** materiality
- 5** conciseness
- 6** reliability and completeness
- 7** consistency and comparability

5

Content elements

- 1** organizational overview and external environment
- 2** governance
- 3** business model
- 4** risks and opportunities
- 5** strategy and resource allocation
- 6** performance
- 7** outlook
- 8** basis of preparation and presentation



6

IIRC priorities

Breakthrough phase:

- provide guidance and examples
- gather Framework feedback
- provide evidence
- reduce or remove barriers

Demand considerations

- Top-of-mind for many report preparers
 - cost implications
 - internal processes – assurance for the board
 - external credibility
 - disparate expertise

Technical issues

- Scope of assurance
 - hard data contained in the integrated report
 - overall integrated report
 - process underpinning integrated report preparation
 - completeness
- Levels of assurance – potential for hybrid engagements
- Suitable criteria

Implementation considerations

- Role of assurance provider in stakeholder engagement
- Risk and liability to assurance practitioners
- Adequacy of internal controls
- Skill of financial statement auditors

