



CHARTING THE FUTURE OF THE GLOBAL PROFESSION

To Continue to Strengthen
Organizations and Advance
Economies



ANNUAL REVIEW 2015

ABOUT THIS 2015 ANNUAL REVIEW

IFAC advocates for high-quality reporting that demonstrates how organizations are preserving and creating value over time using integrated reporting principles and concepts, as set out in the International Integrated Reporting Council's Integrated Reporting Framework.

This 2015 Annual Review outlines IFAC's strategic objectives, governance arrangements, and financial highlights. It describes how we strengthen organizations and enhance economies—by supporting and developing our member organizations and the global accountancy profession, advocating on behalf of the public interest, contributing to high-quality information and improved decision making, and spearheading initiatives that demand global reach, freedom from commercial interests, and the ability to spark dialogue and debate.

The Review is part of our 2015 suite of reporting, which also comprises our *Financial Statements* for the year ended December 31, 2015, available on the IFAC website: www.ifac.org. To learn more about our organization, please visit [About IFAC](#).

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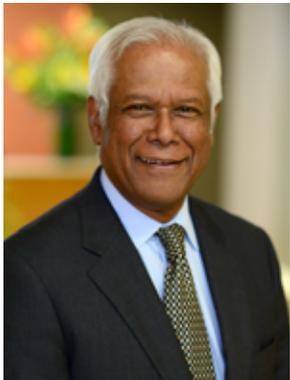
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REPORT TO MEMBER ORGANIZATIONS & OTHER STAKEHOLDERS

From the President and the Chief Executive Officer



Olivia F. Kirtley
President



Fayez Choudhury
Chief Executive Officer

In 2015, we continued to chart the future of the global accountancy profession so that it can continue to strengthen organizations and advance economies.

By focusing on what IFAC is uniquely positioned to do—our comparative global advantages—we optimized our resources, added value to our stakeholders, and delivered strong outputs that demonstrated the impact the profession has on the global economy and society.

High-quality, global standards improve transparency and accountability of governments, companies, and markets, which, in turn, contribute to strong economies. During 2015, we continued to support the independent standard-setting boards, enabling them to develop and revise standards and guidance for the benefit of accountants worldwide. In addition, after working toward it for some time, we were pleased to help establish an enhanced governance structure for the International Public Sector Accounting Standards Board (IPSASB).

We approved a refreshed Member Compliance Program Strategy, including publication of assessment reports, which will enable us to monitor and report on progress in standards adoption and Statements of Membership Obligations (SMOs) fulfillment in a comprehensive and transparent manner.

Ensuring a strong and capable profession to support national economies is an important driver of IFAC's efforts. During the year outstanding progress was made in-country and on-line to help build the profession's capacity, cultivate awareness of the importance of public sector accrual accounting, understand and respond to knowledge gaps and needs, and enhance the Global Knowledge Gateway, our digital global knowledge-sharing platform.

We strongly believe that the profession's voice is essential in the global discussion about economic stability and growth. As

such, we conducted research that demonstrates the impact of over-regulation on economic growth, as well as the correlation between the accountancy profession, economic growth, and living standards. On behalf of the profession, we interacted with major international bodies, including the G-20, G-7, IFRS Foundation, Monitoring Group, and Public Interest Oversight Board, among others. And, in response to member organizations' calls for IFAC to work to enhance global perceptions of the profession, we engaged a global public relations and public affairs firm.

At the 2015 Council meeting, we approved the IFAC Strategy for 2016–2018: *Charting the Future of the Global Profession*, which identifies trends impacting the profession, the potential implications of these trends, and IFAC's planned activities in response—taking consideration of IFAC's comparative advantages and the need to maximize the impact of funding. As we look to the future, we see a fast-paced environment characterized by disruptive change. IFAC aims to prepare the global accountancy profession for the inevitable turbulence and corresponding opportunities.

We are proud and excited about our progress during 2015—but we are even more excited by the opportunities we see going forward. We gratefully acknowledge the commitment and support of the IFAC Board, our member organizations and other funders, and our dedicated volunteers, without whom none of our successes would be possible. And, of course, our utmost thanks to IFAC's employees, who bring IFAC's strategy to life every day.

A handwritten signature in black ink, appearing to read 'Olivia F. Kirtley'.

Olivia F. Kirtley
President

A handwritten signature in black ink, appearing to read 'Fayez Choudhury'.

Fayez Choudhury
Chief Executive Officer

OUR VISION

IFAC's vision is for the global accountancy profession to be recognized as essential to strong and sustainable organizations, financial markets, and economies.

OUR VALUE CREATION MODEL

Public Interest Input and Considerations →



Supporting the strength and sustainability of organizations, markets, and economies via the development of the accountancy profession.

Key Resources →



Strong, diverse global network: 175+ members & associates in 130 jurisdictions representing almost 3 million accountants

Effective partnerships with accounting firms, affiliates, groups, international standard setters, oversight bodies, donors

Talented employees and expert volunteers

Trusted brands and valuable intellectual property

Strong governance and constitutional arrangements; fit-for-purpose processes

Strong financial foundation

→ Key Value-Adding Activities →



Natural Facilitator: Actively contribute to improving financial and non-financial private and public sector reporting by supporting the development and promoting the adoption and implementation of high-quality international standards.

Trusted Intermediary: Leverage IFAC's global experience and relationships with key stakeholders and development partners to strengthen the profession through professional accountancy organizations.

Credible Knowledge Convener: Provide a global forum to share, synthesize, and create knowledge to support professional accountants in providing high-quality services to their clients and employers.

Influential Voice: Represent and advocate, in the public interest, on behalf of the accountancy profession and increase awareness of the profession as essential to strong and sustainable organizations, financial markets, and economies.

OUR VALUES



EXPERTISE



INTEGRITY



TRANSPARENCY

Key Outputs



High-quality international standards and guidance

Programs to build capacity of PAOs; increased awareness of and support for these programs

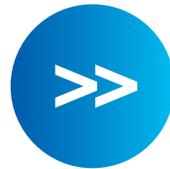
Programs to enhance transparency and accountability in the public sector

Dashboard Reports and updated actions plans for all member organizations

Global Knowledge Gateway, thought leadership, tools, and guidance

Policy positions, opinions, and points of view

Key Outcomes



Confidence in international standards

Reliable, comparable financial and non-financial information and reporting

Strong accountancy profession

Enhanced recognition of professional accountants, and their relevance and value

Policy and regulatory expertise to influence policy making and support professional accountancy organizations (PAOs)

A global exchange of knowledge and ideas

Enhanced awareness and dialogue regarding important issues among key constituencies

Societal Benefits



Confidence in the global financial system and the integrity and efficiency of the markets

Enhanced stewardship of social, economic, and environmental resources

Strong economies and financial stability

Lower cost of capital

Reduced corruption

Reduced poverty

Responsible and effective governments

Enhanced public confidence in the accountancy profession

Improved transparency and accountability of governments, markets, and companies

OUR KEY VALUE-ADDING ACTIVITIES

The global accountancy profession is integral to the effective functioning of the world economy.

IFAC serves the public interest by helping to build strong, credible, and high-quality professional accountancy organizations—the institutions that grow, develop, and maintain the profession. Alongside these institutions, we facilitate communication and community, share resources and tools, and provide leadership and guidance on relevant issues.

Our aim is to foster a highly skilled global accountancy profession that—supported by high-quality international standards—produces consistent, robust, and reliable financial and non-financial information. This information, in turn, enables good decision making that is fundamental to sustain private and public sector organizations, national economies, and the global financial architecture.

Our efforts culminate in a range of societal benefits—including lower cost of capital; reduced corruption; reduced poverty; transparent, accountable, effective governments; and effective management of public resources. Many of these contribute to the United Nation's Sustainable Development Goals and, ultimately, lead to sustainable economies, financial stability, growth, and confidence in the global financial system.

We deliver value to our members, other stakeholders, and the public by leveraging our global comparative advantages: strong connectivity across international organizations, governments, businesses, and markets; a demonstrated ability to align the needs of the profession and the public; freedom from commercial and political interests; extensive knowledge of the accountancy profession; and a track record of raising awareness, engaging stakeholders, and creating dialogue and debate. Importantly, in providing this value, we draw on the knowledge, experience, and insights of our broad international network, and our Board, committees, volunteers, and membership.

We deliver value—thus strengthening organizations and advancing economies—through five strategic activity areas:

1. Contributing to high-quality global standards
2. Fostering quality
3. Strengthening PAOs
4. Convening knowledge
5. Advocating globally

This section of the IFAC Annual Review discusses the environment within each of these activity areas; explains our value-adding activities; maps their outputs, outcomes, and societal benefits; and discusses our 2015 performance as well as our future direction.

38
YEARS SINCE IFAC WAS
FOUNDED

ALMOST
3
MILLION
ACCOUNTANTS,
130 JURISDICTIONS
REPRESENTED BY
175+ MEMBERS &
ASSOCIATES

1. Contributing to High-Quality Global Standards

Our Impact

Globally-accepted, high-quality international standards for professional accountants are an essential pillar of the global financial architecture. They improve transparency, accountability, and credibility of governments, companies, and capital and financial markets, which, in turn, contributes to strong economies and financial stability and builds confidence in the global financial system.

The importance of these standards is well understood by a broad group of stakeholders—governments, regulators, businesses, investors, international organizations, academia—and this is reflected in the shared public-private governance model under which the standards are developed. This multi-stakeholder approach ensures that the public interest remains the focus of standard setting, that the process takes place without political or commercial interference, and that there are checks and balances to ensure that no one stakeholder has undue influence.

IFAC's role is providing financial and operational support to four international standard-setting boards: the International Auditing and Assurance Standards Board (IAASB), International Ethics Standards Board for Accountants (IESBA), International Accounting Education Standards Board (IAESB), and International Public Sector Accounting Standards Board (IPSASB). This includes funding of \$17.7 million; human resources support, including a staff of approximately 20 people; facilities management; and administrative support. In addition, IFAC facilitates the nominations and selection processes, with a goal of achieving a combination of deep technical expertise and public interest perspectives; for the IAASB, IESBA, and IAESB, the selection process is closely overseen, and appointments are approved, by the Public Interest Oversight Board (PIOB).

IFAC also works to enhance confidence in the standards and in the standard-setting process. Loss of stakeholder confidence in standard setting has been identified as one of the organization's key strategic risks; to mitigate this risk, IFAC actively supports and provides resources to the standard-setting boards. IFAC also facilitates the adoption and implementation of standards around the world, and maintains a dialogue with regulators and other stakeholders on potential enhancements to current governance arrangements.

Currently, over 111 jurisdictions have adopted the clarified International Standards on Auditing, or use them as a basis for preparing national standards. Over 120 jurisdictions are using or are in the process of adopting the *Code of Ethics for Professional Accountants*, or basing their national ethics standards on it. More than 80 governments and public sector entities have adopted or are planning to adopt International Public Sector Accounting Standards (IPSAS). And, through our member organizations, IFAC works to ensure that International Education Standards are used to prepare future generations of accountants and maintain the competencies of current accountants.

Accurate, high-quality translations are critical to ensuring the consistent implementation of international standards. In 2015, IFAC facilitated the signing of 197 translations/reproduction agreements. In addition, we supported progress under the IberAm Project, a collaboration to achieve single, Spanish translations of international standards and IFAC publications, and signed a cooperation agreement for the French language. To date, we have facilitated the translation of publications into 48 languages.

72
VOLUNTEERS SERVE
ON THE INDEPENDENT
STANDARD-SETTING
BOARDS

ADOPTION IN
JURISDICTIONS

INTERNATIONAL PUBLIC SECTOR
ACCOUNTING STANDARDS

80+

INTERNATIONAL STANDARDS
ON AUDITING

100+

CODE OF ETHICS FOR
PROFESSIONAL ACCOUNTANTS

120+

Who We Work With

We support the IAASB, IESBA, IAESB, and IPSASB, and their Consultative Advisory Groups (CAGs). The IAASB, IESBA, IAESB, and their respective CAGs are overseen by the PIOB; the PIOB is appointed by the Monitoring Group. During 2015, the PIOB issued *Standard Setting in the Public Interest: A Description of the Model* to provide greater clarity and broaden the general understanding of the governance functions supporting standard setting. (See also: “Message from the PIOB Chairman” on page 9.)

During 2015, the Public Interest Committee (PIC)—comprised of representatives from the International Monetary Fund, International Organization of Supreme Audit Institutions, Organisation for Economic Co-operation and Development, and World Bank Group—was established to add confidence that the IPSASB’s standard-setting activities are in the public interest. In addition, an IPSASB CAG was established.

IFAC has Memorandums of Understanding with international organizations including the Institute of Internal Auditors, International Financial Reporting Standards Foundation and the International Accounting Standard Board, International

Integrated Reporting Council, International Organisation of Supreme Audit Institutions, and United Nations Conference on Trade and Development. These agreements help strengthen the relationships between IFAC and these bodies, allow for joint research projects, and promote adoption and implementation of global standards.

In addition, IFAC engages with organizations such as the European Commission, Financial Stability Board, G-20, International Forum of Independent Audit Regulators, International Monetary Fund, International Organization of Securities Commissions, Organisation for Economic Co-operation and Development, and national governments to discuss the role of international standards in producing high-quality financial and non-financial reporting and supporting financial stability. We also collaborate with a number of organizations to foster adoption and implementation of standards, including PAOs, governments, national and international standard setters, regulators, and other stakeholders.

IFAC PUBLICATIONS
TRANSLATED INTO

48

LANGUAGES

197

TRANSLATION
AND PERMISSION
AGREEMENTS SIGNED

2015 Highlights

- Enhanced the IPSASB’s governance structure to further strengthen the credibility of the board’s pronouncements with establishment of the Public Interest Committee and the IPSASB CAG.
- Named Ian Carruthers IPSASB Chair, effective January 2016.
- Signed 197 translation/reproduction agreements for standards and guidance.

2016 Outlook

- Continue to support the independent standard-setting boards and to work vigorously to promote adoption and support the implementation of the standards around the world.
- Continue to work to strengthen the independence—and the perception of independence—of the standard-setting process, provide clarity about how the model works, and speak out on the strength of the current model
- Continue to facilitate high-quality translations under the IberAm Project, Projet Francais, and others.

Message from the IOB Chairman



Eddy Wymeersch
IOB Chair

The system for setting high-quality international standards for the accounting profession has proved to be successful. The publication of the document, *Standard Setting in the Public Interest: A Description of the Model*, by the Monitoring Group, the IOB, and IFAC in 2015, gave a clear view of the overall standard-setting and oversight structures in place and explained the roles of the three parties involved.

Standard setting for accountants is not an easy task. Key elements such as balancing the technical needs of the profession with the views of wider stakeholder groups, taking into account the input from non-practitioner and public members, ensuring a balanced interaction with the Consultative Advisory Groups, overseeing due process, and monitoring the contributions of the international financial authorities (IOSCO, the World Bank, the Basel Committee, the European Commission, IAIS, and IFIAR), must be carefully choreographed. The standard-setting boards, the Public Interest Oversight Board, and the Monitoring Group have each a role to play.

The results of this collaborative effort are globally accepted standards in the areas of audit and assurance, ethics, and education. Oversight is one of the pillars of the standard-setting structure. The IOB was established to enhance confidence in the profession through good practices supported by high-quality standards. The IOB has worked consistently during the first ten years since its creation to meet this objective.

Directly observing the meetings of the standard-setting boards and their CAGs, and other bodies within the IFAC structure, such as the Nominating Committee and the Compliance Advisory Panel, has proved to be the most effective oversight method. Due process allows all opinions to be heard and is of great importance even within the standard-setting board meetings. The IOB observer can voice public interest concerns during the meeting, triggering a reflection within the board, and possibly

a revision of the position adopted. These actions have an impact on the standards and guidelines, on public confidence in financial information, and thus on the role of the auditor.

In the last year, several important projects were developed that are good indicators that the system is moving in the right direction.

The standard-setting activity for professional accountants as a whole is based on the cooperation of all parties involved. Constructive dialogue between them is the way forward to continue to improve on a credible and effective system of standards that can be adopted and implemented worldwide. Pursuing this objective is pursuing the public interest in the long term. There is still a long road ahead but after the first ten years, the motivation to serve the public interest should encourage us all.

A handwritten signature in black ink, appearing to read 'E. Wymeersch', written over a set of horizontal dashed lines.

Eddy Wymeersch
IOB Chair

2. Fostering Quality

Our Impact

IFAC leverages its global network of member organizations and its history and experience with adoption and implementation and compliance to strengthen the profession through PAOs—thus supporting economic growth and sustainability.

During 2015, the *IFAC Member Compliance Program Strategy: 2016-2018* was approved after an extensive public consultation and PIOB review of due process. Our Member Compliance Program—comprised of seven Statements of Membership Obligations (SMOs)—requires PAOs to use their best efforts to adopt and implement international standards and best practices, including quality assurance review systems and investigation and discipline mechanisms. It is globally recognized as a framework for developing strong, credible, and high-quality accounting organizations, which are fundamental to strong economies and financial stability.

We also introduced assessment reports, which will enable IFAC to better monitor and communicate about the status of adoption

of international standards in jurisdictions around the world, as well as members’ and associates’ fulfillment of the SMOs, for the benefit of IFAC, its membership, stakeholders, and the general public. In addition, we admitted two new associate members from Burkina Faso and Vietnam.

Who We Work With

IFAC’s Compliance Advisory Panel (CAP) oversees the Member Compliance Program and our interaction with PAOs. The CAP is overseen by the PIOB, which is overseen by the Monitoring Group (see “Contributing to High-Quality Global Standards,” on page 7, for more information on these groups and structures). We also work closely with PAOs to prepare them for associate or member status and measure progress against SMO Action Plans, and with PAOs, Regional Organizations, Accountancy Groupings, and development agencies to encourage growth and development and improve the quality of the global profession. In addition, IFAC works with the Forum of Firms to promote consistent, high-quality financial reporting and auditing practices among transnational auditors worldwide.

NUMBER OF IFAC MEMBERS/ASSOCIATES IN EACH REGION

AFRICA/MIDDLE EAST	39
ASIA	34
AUSTRALASIA-OCEANIA	6
EUROPE	73
LATIN AMERICA	25
NORTH AMERICA	3

2015 Highlights

- Approved the *IFAC Member Compliance Program Strategy: 2016-2018* after an extensive public consultation and PIOB review of due process, including assessment reports to better monitor and report on the status of international standards adoption and fulfillment of SMO requirements around the world.
- Organized the 8th CReCER (Contabilidad y Responsabilidad para el Crecimiento Económico Regional, or Conference for Accounting and Accountability for Regional Economic Growth), along with the World Bank, the Inter-American Development Bank, and the Global Public Policy Committee in Quito, Ecuador.
- Welcomed two new associate members from Burkina Faso and Vietnam.

2016 Outlook

- Provide new online content featuring comprehensive profiles of IFAC member organizations and the jurisdictions in which they operate, including the status of international standards’ adoption.
- Prepare membership admission assessments for three applicants and continue to engage other PAOs interested in IFAC membership.
- Conduct regional SMO Workshops to support IFAC member organizations and other PAOs with the implementation of SMOs through sharing experiences and leveraging lessons learned.

3. Strengthening PAOs

Our Impact

IFAC capitalizes on its experience and relationships with key global stakeholders and development partners to help build strong PAOs which, in turn, strengthen the profession and therefore support a strong global economy.

We approach PAO development holistically, gaining an understanding of a PAO's sustainability, stakeholder relevance, and its efforts to support and enforce international standards, as well as reviewing the environment in which it operates. This enables us to design fit-for-purpose projects that deliver sustainable solutions.

During 2015, IFAC continued to facilitate capacity building for PAOs in emerging economies under our agreement with the UK Department for International Development (DFID). The Institute of Chartered Accountants in England and Wales was selected to partner with the Institute of Chartered Accountants Ghana; in a joint venture, the Institute of Chartered Accountants of Scotland and the Chartered Institute of Public Finance and Accountancy were selected to partner with the Institute of Certified Public Accountants of Uganda; and the Association of Chartered Certified Accountants was selected to partner with the Institute of Certified Public Accountants of Rwanda. In addition, work began on the next group of countries under this agreement.

We published *Finding Your Voice: PAOs, Advocacy, and Public Policy* to help PAOs create an environment in which professional accountants are listened to, can speak out on topical societal issues, and are seen as integral, respected, and supportive of the communities they serve. Additional publications are under development to guide PAOs in establishing effective partnerships, enhancing service delivery to their professional accountant in business (PAIB) constituencies, and understanding

approaches to regulation of the profession. To facilitate global knowledge sharing about global capacity-building efforts, we continued to enhance the [MOSAIC website](#), enabling users to access and contribute to a comprehensive inventory of past and present projects aimed at developing the accountancy profession and PAOs.

We organized an inaugural roundtable of the [Accountability Now](#) initiative in Washington, DC, USA. In addition, two roundtables were held in Ghana, helping the local profession to establish itself as a trusted advisor to the Ghanaian government as it continues to adopt accrual-based IPSAS. We also organized two regional conferences in Senegal (with the Pan African Federation of Accountants, Fédération Internationale des Experts-Comptables Francophones, World Bank, and African Development Bank), and in Abu Dhabi (hosted by the Abu Dhabi Accountability Authority on behalf of IFAC). IFAC staff also presented on [Accountability Now](#) at events around the world to raise awareness of the importance of high-quality financial reporting by governments to improve transparency and help strengthen public financial management and accountability in the public interest.

Who We Work With

IFAC's PAO Development Committee provides strategic advice and input to IFAC's capacity-building initiatives.

MOSAIC—Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration—provides the foundation for an aligned approach between IFAC and twelve donor organizations to increase the capacity of PAOs so that they can improve the quality of public and private sector accountancy and financial management. The ultimate goals of these improvements are enhanced effectiveness and efficiency

of donor assistance, increased economic growth, and reduced poverty.

The Accountability. Now. initiative roundtable included the World Bank, International Monetary Fund, Global Initiative for Fiscal Transparency, International Budget Partnership, ONE, United Nations Development Programme, Inter-American Development Bank, Abu Dhabi Accountability Authority, US Government Accounting Office, Japonica Partners, BDO, KPMG, Deloitte, EY, and Grant Thornton. We continue to work closely with these organizations and others to build awareness of the importance of good public financial accounting and reporting.

IFAC continues to progress discussions with a number of development agencies in order to stimulate additional funding for global capacity building.

2015 Highlights

- Identified partners for capacity-building programs in Ghana, Rwanda, and Uganda under the UK DFID agreement.
- Launched an enhanced MOSAIC website, a portal dedicated to the development of the accountancy profession, which now includes a comprehensive inventory of past and present capacity-building projects to which users can actively contribute.
- Organized Accountability. Now. meetings and events, including roundtables in Ghana and regional conferences in Senegal and Abu Dhabi; produced campaign materials to build awareness and understanding of the importance of good public financial accounting and reporting.

2016 Outlook

- Identify the next group of countries and partners for capacity-building programs under the DFID agreement; continue to engage donors to stimulate the flow of development funds for the benefit of the profession as a whole, and the public interest.
- Publish resources targeted at PAO development covering how to establish effective partnerships between PAOs, reviewing approaches to regulation of the profession, and enhancing service delivery to PAIB constituents; continue to enhance the MOSAIC website.
- Convene stakeholders to join Accountability. Now. and work with IFAC to promote good public financial accounting and reporting and, in particular, adoption and implementation of high-quality accrual-based public sector accounting standards.

4. Convening Knowledge

Our Impact

As a credible knowledge convener, IFAC provides a global forum to share, synthesize, and create knowledge to support professional accountants in providing high-quality services to their clients and employers—thus providing foundational support for organizations, markets, and economies. The role of accountants continues to evolve to meet the rapidly changing demands of business and society, as well as technological changes such as artificial intelligence. IFAC is helping chart the path and pace of this evolution.

IFAC works with and through our member organizations to share resources, tools, knowledge, and ideas; provide leadership and guidance on relevant issues; and enhance the competence, quality, and relevance of professional accountants—particularly small- and medium-sized practices (SMPs) and PAIBs. One of the primary ways we do this is through the Global Knowledge Gateway, enhancements to which continued during the year. We also launched an exciting new online platform to stimulate greater adoption of integrated reporting (IR) and thinking. The IR PAO Network is supporting knowledge and experience sharing among PAOs and highlighting the profession's role in advancing the development of organizational reporting through IR adoption.

We work to ensure the needs of both these constituencies are considered by standard setters, regulators, and policy makers, and build awareness and dialogue regarding important issues. During the year, we submitted comments to the IAASB, IESBA, G-20, IFRS, and Public Company Accounting Oversight Board, among other bodies. In addition, we develop guidance, tools, and thought leadership. For example, we published the *IFAC Global SMP Survey 2014 Report*, the *Guide to Compilation Engagements*, *From Bolt-on to Built-in*, *Creating Value with Integrated Thinking: The Role of Professional Accountants*, and *Accounting for Sustainability—From Sustainability to Business Resilience*.

Who We Work With

The PAIB and SMP Committees provide strategic advice in these areas, identifying the key challenges and opportunities and the potential responses.

We work closely with our global network of member organizations. We frequently partner with them to develop guidance and host forums and events, and many are active contributors to and participants in the Global Knowledge Gateway and the IR PAO Network. We also submit comment letters to standard-setting boards and regulators and interact with and influence their task forces and working groups.

Other international organizations—such as the Committee of Sponsoring Organizations of the Treadway Commission, European Association of Craft, Small and Medium-sized Enterprises, Institute of Internal Auditors, International Integrated Reporting Council, and Organisation for Economic Co-operation and Development—also contribute to the Global Knowledge Gateway; we also work with these groups to develop papers and reports, organize forums, and conduct advocacy.

And, through our publications, tools, and resources, we interact with a wide array of professional accountants, students, other professionals that are doing accountancy-type work, professionals in related areas (for example, sustainability), and other professionals in the financial reporting supply chain (such as lawyers, employers, regulators, investors).

.....
We facilitate communication and community, share resources and tools, and provide leadership and guidance on relevant issues—all to enhance accountants' competence, quality, and relevance.
.....

2015 Highlights

- Continued to build and enhance the Global Knowledge Gateway, a global platform to share knowledge and leverage the expertise of member organizations and other stakeholders in the global economy.
- Issued reports on compilation engagements, managing risk, integrated reporting, and sustainability.
- Conducted the IFAC Global SMP Survey in 21 languages; received 5,083 responses from 135 countries, highlighting a wide range of issues affecting SMPs globally.

2016 Outlook

- Continue to leverage the knowledge and resources of our members and other stakeholders, and our position as the global organization for the profession, to enhance the Global Knowledge Gateway, to share knowledge for the benefit of the profession, and to help accounting professionals worldwide provide high-quality services.
- Maintain our commitment to the advancement of integrated reporting, in accordance with the International Integrated Reporting Council's IR Framework.
- Work to raise the profile and public awareness of the role of SMPs and PAIBs and their importance to the global economy and society.

5. Advocating Globally

Our Impact

IFAC leverages its influential global voice to represent and advocate on behalf of the accountancy profession, position accountancy professionals as strategic partners for growth, and increase awareness of the accountancy profession as essential to strong and sustainable organizations, financial markets, and economies—all in the public interest. We also are uniquely positioned to speak out on important public interest issues relevant to the profession.

We unite regional and national voices to interact with global organizations, convene influencers with mutual interests, and offer effective policy and regulatory perspectives to influence policy making and support PAOs. We work to build enhanced recognition of professional accountants and their relevance and value, increased public confidence in the accountancy profession, and heightened awareness and dialogue regarding important issues among key constituencies. We develop policy positions, opinions, and points of view, and engage in commentary and debates on issues that are relevant to the profession, in the public interest.

Loss of effectiveness as the representative voice of the global profession has been identified as one of IFAC's key strategic risks; we work to mitigate this risk by collaborating with member organizations and other key stakeholders to leverage our combined expertise and speak out on issues affecting the accountancy profession and the public it serves. In addition, during 2015 we engaged a global public relations and public affairs firm to respond to member organizations' calls for IFAC to take a larger role in enhancing the global perception of the accountancy profession's value and relevance, as well as to help impact specific policy issues.

During 2015, IFAC Officers and management were interviewed by or published bylined articles in global media outlets including Reuters, *The Economist*, and *Huffington Post*; we submitted comment letters in response to public consultations by organizations such as the Basel Committee on Banking Supervision, International Integrated Reporting Council, and European Commission; we submitted recommendations to the G-20; and we presented at and attended a wide range of forums, conferences, congresses, and events around the world.

In 2015, our primary themes continued to be:

- The profession's valuable role in society—we strive to increase awareness of the important roles professional accountants play and the contributions we make to the global economy.
- The importance of public sector transparency and accountability—IFAC supports adoption and implementation of accrual-based International Public Sector Accounting Standards, and other institutional reforms, to support the responsible stewardship of public funds and better decision-making.
- The many factors involved in the credibility and usability of financial reporting—we aim to stimulate "whole system" thinking to bring greater clarity to the roles and responsibilities of those in the financial reporting supply chain and to strengthen the quality of financial reporting.
- Enhanced organizational reporting—IFAC supports the International Integrated Reporting Council in its efforts to integrate financial and non-financial disclosures and create global consistency, and recognizes the accountancy profession's important role in reporting and assuring this information.



Who We Work With

Over 37 years, IFAC and its members have developed a network of relationships in government, investment and finance, international development, think tanks, research, academia, and the corporate and not-for-profit sectors.

More than 50 external organizations have become strategic partners. Such connectivity ensures we have a seat at the table in important international debates and enables us to facilitate thought leadership and make a significant contribution to global public policy advocacy.

.....
IFAC presents a united, global voice for the profession and advocates for the public interest.

As the global organization for the profession, IFAC is uniquely positioned to speak out on accountancy and related public interest issues.
.....

2015 Highlights

- Engaged a global public relations and public affairs firm in response to member organizations' calls for IFAC to take a greater role in enhancing perception of the accountancy profession's value and relevance, and conducting advocacy on specific policy issues, in the public interest.
- Launched *Nexus I* and *Nexus II*, which analyzed the profession's importance to the global economy, its contribution to society, and its link to national economic growth and improved living standards.
- Issued a series of papers including the Global Regulation Survey Report, which highlighted how regulation has become immensely complex and is impacting organizations' opportunities to grow and innovate.

2016 Outlook

- In response to member organizations' input, take a bigger role in enhancing the global perception of the accountancy profession's value and relevance, its importance to the global economy, and its contribution to society.
- Better collaborate with member organizations and key stakeholders to help them leverage and amplify our messages and content.
- Speak out on specific policy issues on behalf of the profession and in the public interest—including the importance of high-quality public sector financial reporting, the principles underpinning smart regulation, and the value of integrated reporting.

OPTIMIZING OUR RESOURCES

Throughout 2015, we worked to optimize the resources we rely upon to create value for our members and stakeholders, and continued to adopt and adapt fit-for-purpose, flexible, and sustainable processes and systems.

Strong, diverse global network

IFAC represents, supports, and advocates for a global accountancy profession that encompasses mature economies and developing economies across 130 jurisdictions, as well as more than 175 professional accountancy organizations that vary significantly by stage of development, capacity, legal status, and authority. Through our members, our constituencies include:

large accounting firms; small- and medium-sized practices; and professional accountants in small and large business, governments, and academia—totalling almost three million accountants worldwide.

Failure to identify, prioritize, or render services to meet competing demands of member organizations and other stakeholders is a key risk. During 2015, IFAC continued to work with its member organizations to take an inclusive approach that supports the diverse needs of professional accountants in business, small- and medium-sized practices and their small- and medium-sized entity clients, and the accountancy profession in emerging and transitional economies.



IFAC Members

(As at December 31, 2015)

Albania

- Institute of Authorized Chartered Auditors of Albania

Argentina

- Federación Argentina de Consejos Profesionales de Ciencias Económicas

Australia

- CPA Australia
- The Institute of Chartered Accountants in Australia (Now Chartered Accountants Australia and New Zealand – Effective March 11, 2016)
- Institute of Public Accountants

Austria

- Institut Österreichischer Wirtschaftsprüfer
- Kammer der Wirtschaftstreuhand

Azerbaijan

- The Chamber of Auditors of Azerbaijan Republic

Bahamas

- The Bahamas Institute of Chartered Accountants

Bahrain

- Bahrain Accountants Association

Bangladesh

- The Institute of Chartered Accountants of Bangladesh
- The Institute of Cost and Management Accountants of Bangladesh

Barbados

- The Institute of Chartered Accountants of Barbados

Belgium

- Institut des Experts-comptables et des Conseils Fiscaux—Instituut Van de Accountants en de Belastingconsulenten
- Instituut van de Bedrijfsrevisoren—Institut des Réviseurs d'Entreprises

Bolivia

- Colegio de Auditores de Bolivia

Bosnia and Herzegovina

- Association of Accountants and Auditors of Republic of Srpska

Botswana

- Botswana Institute of Chartered Accountants

Brazil

- Conselho Federal de Contabilidade
- Instituto dos Auditores Independentes do Brasil

Bulgaria

- Institute of Certified Public Accountants of Bulgaria

Cameroon

- The Institute of Chartered Accountants of Cameroon

Optimizing our Resources

Canada

- Chartered Professional Accountants Canada

Cayman Islands

- Cayman Islands Society of Professional Accountants

Chile

- Colegio de Contadores de Chile

China

- The Chinese Institute of Certified Public Accountants

Chinese Taiwan

- Federation of CPA Associations of Chinese Taiwan

Colombia

- Instituto Nacional de Contadores Públicos de Colombia

Costa Rica

- Colegio de Contadores Públicos de Costa Rica

Croatia

- Croatian Association of Accountants and Financial Experts

Cyprus

- The Institute of Certified Public Accountants of Cyprus

Czech Republic

- Chamber of Auditors of the Czech Republic

Denmark

- FSR—danske revisorer

Dominican Republic

- Instituto de Contadores Públicos Autorizados de la República Dominicana

Egypt

- The Egyptian Society of Accountants & Auditors

Estonia

- Estonian Association of Auditors

Fiji

- Fiji Institute of Accountants

Finland

- Suomen Tilintarkastajat ry

France

- Compagnie Nationale des Commissaires aux Comptes
- Conseil Supérieur de l'Ordre des Experts-Comptables

Georgia

- Georgian Federation of Professional Accountants and Auditors

Germany

- Institut der Wirtschaftsprüfer
- Wirtschaftsprüferkammer

Ghana

- The Institute of Chartered Accountants (Ghana)

Greece

- Institute of Certified Public Accountants of Greece

Guatemala

- Instituto Guatemalteco de Contadores Públicos y Auditores

Guyana

- The Institute of Chartered Accountants of Guyana

Haiti

- Ordre des Comptables Professionels Agrées d'Haiti

Honduras

- Colegio de Peritos Mercantiles y Contadores Públicos

Hong Kong, Special Administrative Region of China

- Hong Kong Institute of Certified Public Accountants

Hungary

- Chamber of Hungarian Auditors

Iceland

- Félag Löggiltra Endurskodenda

India

- The Institute of Chartered Accountants of India
- The Institute of Cost Accountants of India

Indonesia

- Indonesian Institute of Accountants

Iran, Islamic Republic of

- Iranian Association of Certified Public Accountants
- The Iranian Institute of Certified Accountants

Iraq

- Iraqi Union of Accountants and Auditors

Ireland

- Chartered Accountants Ireland
- The Institute of Certified Public Accountants in Ireland

Israel

- Institute of Certified Public Accountants in Israel

Italy

- Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili

Ivory Coast

- Ordre des Experts Comptables et Comptables Agrées de Côte d'Ivoire

Jamaica

- The Institute of Chartered Accountants of Jamaica

Japan

- The Japanese Institute of Certified Public Accountants

Jordan

- International Arab Society of Certified Accountants

- Jordanian Association of Certified Public Accountants

Kazakhstan

- Chamber of Auditors of the Republic of Kazakhstan

Kenya

- Institute of Certified Public Accountants of Kenya

Korea, Republic of

- Korean Institute of Certified Public Accountants

Kosovo

- Society of Certified Accountants and Auditors of Kosovo

Kuwait

- Kuwait Association of Accountants and Auditors

Latvia

- Latvian Association of Certified Auditors

Lebanon

- Lebanese Association of Certified Public Accountants

Lesotho

- Lesotho Institute of Accountants

Liberia

- The Liberian Institute of Certified Public Accountants

Lithuania

- Lithuanian Chamber of Auditors

Luxembourg

- Institut des Réviseurs d'Entreprises

Macedonia, The former Yugoslav Republic of

- Institute of Certified Auditors of the Republic of Macedonia

Madagascar

- Ordre des Experts Comptables et Financiers de Madagascar

Malawi

- Institute of Chartered Accountants in Malawi

Malaysia

- Malaysian Institute of Accountants
- The Malaysian Institute of Certified Public Accountants

Malta

- The Malta Institute of Accountants

Mexico

- Instituto Mexicano de Contadores Públicos, A.C.

Moldova, Republic of

- Association of Professional Accountants and Auditors of the Republic of Moldova

Mongolia

- Mongolian Institute of Certified Public Accountants

Morocco

- Ordre des Experts Comptables du Royaume du Maroc

Namibia

- Institute of Chartered Accountants of Namibia

Nepal

- The Institute of Chartered Accountants of Nepal

Netherlands

- Netherlands Association of Registered Controllers
- Royal Nederlandse Beroepsorganisatie van Accountants

New Zealand

- New Zealand Institute of Chartered Accountants (Now Chartered Accountants Australia and New Zealand – Effective March 11, 2016)

Nicaragua

- Colegio de Contadores Públicos de Nicaragua

Nigeria

- Association of National Accountants of Nigeria
- The Institute of Chartered Accountants of Nigeria

Norway

- Den norske Revisorforening

Pakistan

- Institute of Cost and Management Accountants of Pakistan
- The Institute of Chartered Accountants of Pakistan

Panama

- Colegio de Contadores Públicos Autorizados de Panamá

Paraguay

- Colegio de Contadores de Paraguay

Peru

- Junta de Decanos de Colegios de Contadores Públicos del Peru

Philippines

- Philippine Institute of Certified Public Accountants

Poland

- Accountants Association in Poland
- National Chamber of Statutory Auditors

Portugal

- Ordem dos Revisores Oficiais de Contas

Romania

- Corpul Expertilor Contabili si Contabililor Autorizati din Romania
- The Chamber of Financial Auditors of Romania

Russian Federation

- Russian Collegium of Auditors

Saudi Arabia

- Saudi Organization for Certified Public Accountants

Senegal

- Ordre National des Experts Comptables et Comptables Agréés du Sénégal

Serbia, Republic of

- Serbian Association of Accountants and Auditors

Sierra Leone

- The Institute of Chartered Accountants of Sierra Leone

Singapore

- Institute of Singapore Chartered Accountants

Slovakia

- Slovenska Komora Auditorov

Slovenia

- The Slovenian Institute of Auditors

South Africa

- The South African Institute of Chartered Accountants
- The South African Institute of Professional Accountants

Spain

- Instituto de Censores Jurados de Cuentas de España

Sri Lanka

- Institute of Certified Management Accountants of Sri Lanka
- The Institute of Chartered Accountants of Sri Lanka

Swaziland

- Swaziland Institute of Accountants

Sweden

- FAR

Switzerland

- EXPERTsuisse - Swiss Expert Association for Audit, Tax and Fiduciary

Tanzania, United Republic of

- National Board of Accountants and Auditors

Thailand

- Federation of Accounting Professions

Trinidad and Tobago

- The Institute of Chartered Accountants of Trinidad and Tobago

Tunisia

- Ordre des Experts Comptables de Tunisie

Turkey

- Expert Accountants' Association of Turkey
- Union of Chambers of Certified Public Accountants of Turkey

Uganda

- Institute of Certified Public Accountants of Uganda

Ukraine

- Ukrainian Federation of Professional Accountants and Auditors

United Kingdom

- Association of Chartered Certified Accountants
- Chartered Institute of Management Accountants
- Chartered Institute of Public Finance and Accountancy
- Institute of Chartered Accountants in England and Wales
- Institute of Chartered Accountants of Scotland
- Institute of Financial Accountants
- Association of Accounting Technicians

United States

- American Institute of Certified Public Accountants
- Institute of Management Accountants

Uruguay

- Colegio de Contadores, Economistas y Administradores del Uruguay

Vietnam

- Vietnam Accounting Association

Zambia

- Zambia Institute of Chartered Accountants

Zimbabwe

- The Institute of Chartered Accountants of Zimbabwe

Associates

(As at December 31, 2015)

Albania

- Instituti i Kontabilistëve të Miratuar

Armenia

- Association of Accountants and Auditors of Armenia

Benin

- Ordre des Experts-Comptables et Comptables Agréés du Bénin

Bosnia and Herzegovina

- Union of Accountants, Auditors and Financial Workers of Federation of Bosnia and Herzegovina

Brunei Darussalam

- Brunei Darussalam Institute of Certified Public Accountants

Burkina Faso

- Ordre National des Experts-Comptables et des Comptables Agréés du Burkina Faso¹

Cambodia

- Kampuchea Institute of Certified Public Accountants and Auditors

Croatia

- Croatian Audit Chamber

El Salvador

- Instituto Salvadoreño de Contadores Públicos

Guatemala

- Colegio de Contadores Públicos y Auditores de Guatemala

Indonesia

- Institut Akuntan Publik Indonesia

Ireland

- Accounting Technicians Ireland

Kazakhstan

- Chamber of Professional Accountants of the Republic of Kazakhstan

Kyrgyzstan

- Union of Accountants and Auditors

Latvia

- Association of Accountants of the Republic of Latvia

Luxembourg

- Ordre des Experts-Comptables du Luxembourg

Mauritius

- Mauritius Institute of Professional Accountants

Montenegro

- Institute of Accountants and Auditors of Montenegro
- Institute of Certified Accountants of Montenegro

Pakistan

- Pakistan Institute of Public Finance Accountants

Palestine

- Palestinian Association of Certified Public Accountants

Papua New Guinea

- Certified Practising Accountants Papua New Guinea

Portugal

- Ordem dos Contabilistas Certificados

Russian Federation

- Audit Chamber of Russia
- Auditor Association Sodruzhestvo (Now Self-Regulatory Organization of Auditors Association “Sodruzhestvo”—Effective October 13, 2016)

- Moscow Audit Chamber (Now Russian Union of Auditors—Effective October 11, 2016)

- The Institute of Professional Auditors

Rwanda

- Institute of Certified Public Accountants of Rwanda

Serbia, Republic of

- Chamber of Authorized Auditors of Serbia

Sri Lanka

- Association of Accounting Technicians of Sri Lanka

Togo

- Ordre National des Experts-Comptables et des Comptables Agréés du Togo

Ukraine

- Ukrainian Association of Certified Accountants and Auditors

Uzbekistan

- Chamber of Auditors of Uzbekistan
- National Association of Accountants and Auditors of Uzbekistan

Vietnam

- Vietnam Association of Certified Public Accountants¹

Affiliates

(As at December 31, 2015)

Netherlands

- Nederlandse Orde van Register EDP-Auditors

United Kingdom

- The Association of Corporate Treasurers

United States

- Information Systems Audit and Control Association
- National Association of State Boards of Accountancy
- The Institute of Internal Auditors

Regional Organizations

(As at December 31, 2015)

- Confederation of Asian and Pacific Accountants
- Fédération des Experts Comptables Européens
- Interamerican Accounting Association
- Pan African Federation of Accountants

Accountancy Groupings

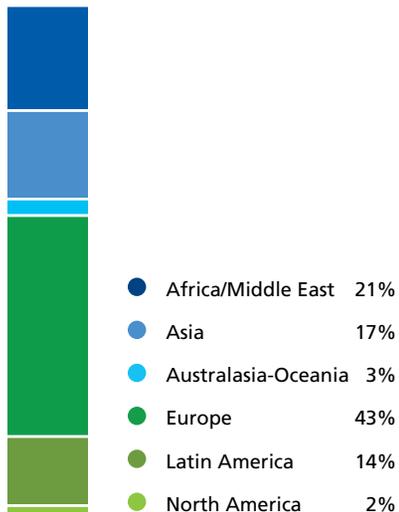
(As at December 31, 2015)

- Association of Accountancy Bodies of West Africa
- Eurasian Council of Certified Accountants and Auditors²
- Fédération des Experts-Comptables Méditerranéens
- Fédération Internationale des Experts Comptables et Commissaires aux Comptes Francophones
- Gulf Cooperation Council Accounting and Auditing Organization
- South Asian Federation of Accountants
- The Institute of Chartered Accountants of the Caribbean

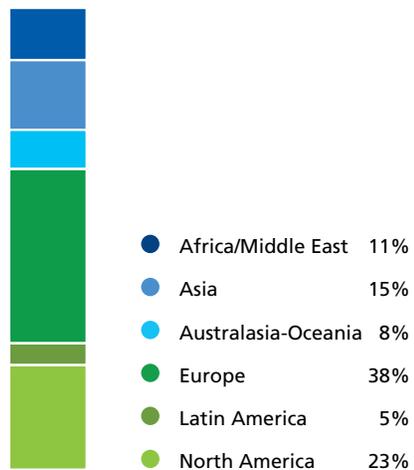
¹ Admitted by the IFAC Council in November 2015

² Acknowledged Accountancy Grouping status withdrawn effective March 2016

IFAC MEMBERS AND ASSOCIATES BY REGION



IFAC VOLUNTEERS BY REGION



Effective Partnerships and Stakeholder Engagement

In addition to our member organizations, IFAC maintains robust relationships with accounting firms, affiliates, international standard setters, oversight bodies, donors, development agencies, and other international organizations. We have worked to become more member and stakeholder focused. Having assigned primary and secondary relationship leaders and set strategic objectives for each key relationship, in 2015 we instituted processes for regular engagement with key stakeholders to build and strengthen relationships, share points of view, and identify synergies.

Talented Employees and Expert Volunteers

IFAC needs highly qualified staff and volunteers to deliver on its strategy, and an inability to attract and retain a diverse and highly qualified staff is a key risk. Our recruitment and selection processes are designed to attract and retain skilled, high-performing employees for the right roles and, during 2015, IFAC remained committed to the development and retention of staff across all functions. In 2015, 16 of 19 job vacancies were filled, by a combination of permanent staff, temporary assistance, and consultants.

The response rate to our 2014 employee survey was high, indicating an engaged staff. The balanced feedback contained strong improvements since the prior survey in 2012, and targeted areas for continued improvement. As a result, during 2015 we continued our focus on enhancing communication from senior management, inter-departmental communications, and learning and development. A human capital strategy was also developed, which will serve to guide us as we continue to develop this critical area.

In addition to employees, IFAC relies heavily on volunteers for the standard-setting boards and committees. Nominee selection is based on the best fit for the available position, taking into consideration factors such as professional background, technical skills, past and present contributions to the profession on regional and international levels, and other relevant skills and attributes. In addition, geographic, gender, and professional balance are also considered.

IFAC Board

(November 2014 to November 2015)

Olivia Kirtley, President, United States
Rachel Grimes, Deputy President, Australia
Carol Bellringer, Canada
Norunn Byrkjeland, Norway
Yugui Chen, China
Terence Nombembe, South Africa
Ana Maria Elorrieta, Brazil
Ahmadi Hadibroto, Indonesia
Robert Harris, United States
In-Ki Joo, Republic of Korea
Joy Thomas, Canada
Pamela Monroe Ellis, Jamaica
Jacques Potdevin, France
Kumar Raghu, India
Marta Rejman, United Kingdom (Poland)
Masum Turker, Turkey
Shinji Someha, Japan
Wienand Schruff, Germany
Michael Hathorn, United Kingdom
Gail McEvoy, Ireland
Raphael Ding, Hong Kong
Richard Petty, Australia
Sebastian Owuama, Nigeria

IFAC Committees

(January 1, 2015 to December 31, 2015)

Compliance Advisory Panel

James Dickson, Chair, Australia
Kathryn Byrne, Deputy Chair, United States
Angelo Casò, Italy
Antonio Flores, Mexico
Khalid Rahman, Pakistan
Derick Nkajja, Uganda
Mousa Sindaha, Jordan

Nominating Committee

Olivia Kirtley, Chair, USA
Rachel Grimes, Deputy Chair, Australia
Ana Maria Elorrieta, Brazil
Japheth Katto, Uganda
Sir David Tweedie, United Kingdom
Gregory Anton, United States
Anne Loveridge, Australia
In-Ki Joo, Republic of Korea

Professional Accountancy Organization Development Committee

Caroline Kigen, Chair, Kenya
Devika Mohotti, Deputy Chair, United Kingdom (Australia)
Rasheed Al-Qenae, Kuwait
Ardiana Bunjaku, Kosovo
Shahied Daniels, South Africa
Arjuna Herath, Sri Lanka
Jean Precourt, Canada
Keto Kayemba, Uganda
Clemente Kiss, Romania
Freddy Solis, Nicaragua
Alan Edwards, United Kingdom
Ivan Sotomayor, United States

Professional Accountants in Business Committee

Charles Tilley, Chair, United Kingdom
Yacoob Suttar, Deputy Chair, Pakistan
Laurie Tugman, Canada
Wendy Wen Yee Yung, Hong Kong
AN Raman, India
Sanjay Rughani, Kenya
Stuart Chaplin, United Kingdom
Patricia Cochran, United States
Larry White, United States
Joyce Evans, Canada
Alan Johnson, United Kingdom (Portugal)
Henny Kapteijn, the Netherlands
Jan Labuschagne, South Africa
Vittorio Lusvarghi, Italy
Ian Rushby, United Kingdom
William Schneider, United States
Raul Gonzalez Lima, Mexico
Matts Kunaka, Zimbabwe

Small and Medium Practices Committee

Giancarlo Attolini, Chair, Italy
Monica Foerster, Deputy Chair, Brazil
George Willie, United States
Robyn Erskine, Australia
Dequan Yin, China
Raymond Cheng, Hong Kong
Berend Van Aswegen, South Africa
Antoni Goméz, Spain
Abdulwahid Aboo, Kenya
Subodh Kumar Agarwal, India
Katharine Bagshaw, United Kingdom
Cemal Ibis, Turkey
Dawn McGeachy-Colby, Canada
Dorothy Ngwira, Malawi
Andreas Noodt, Germany
Nnamdi Okwuadigbo, Nigeria
Mats Olsson, Sweden
Inge Saeys, Belgium

Transnational Auditors Committee

Voting Representatives

Wallace (Wally) Gregory, Chair, Deloitte Touche Tohmatsu Limited
Roderick Devlin, KPMG International Cooperative
Karen M. Golz, Ernst & Young Global Limited
David Isherwood, BDO
David Maxwell, Grant Thornton International Ltd
Paul Ginman, Baker Tilly International Limited
David Chitty, Crowe Horwath International
Andrew Collier, Kreston International
Kenneth (Kenny) Chatelain, PricewaterhouseCoopers International
Jean-Luc Barlet, Mazars
Sean Lager, PKF International Limited

Alternates

Graham Gilmour, PricewaterhouseCoopers International.
Gilles Hengoat, Grant Thornton International Ltd
Victor Oliveira, Ernst & Young Global Limited
Sylvia Smith, KPMG International Cooperative
Mohammed Yaqoob, Nexia International
Wayne Kolins, BDO
Jens Simonsen, Deloitte Touche Tohmatsu Limited
Gill Spaul, Moore Stephens International Limited
John Capper, RSM International Limited
Jack Easton, UHY International Limited
Edelfried Schneider, HLB International

Trusted Brands and Valuable Intellectual Property

The International Federation of Accountants is a trusted brand that is known to accountants, regulators, businesses, and governments as representing the profession, enhancing quality, and working in the public interest. In addition, the standard-setting boards are widely known for producing high-quality standards and guidance. IFAC owns numerous trademarks for these brands as well as their products.

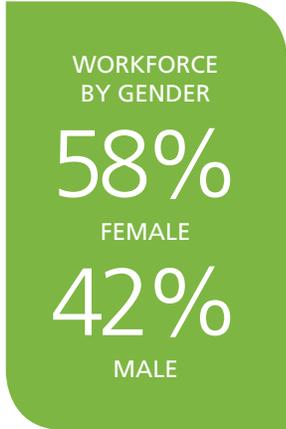
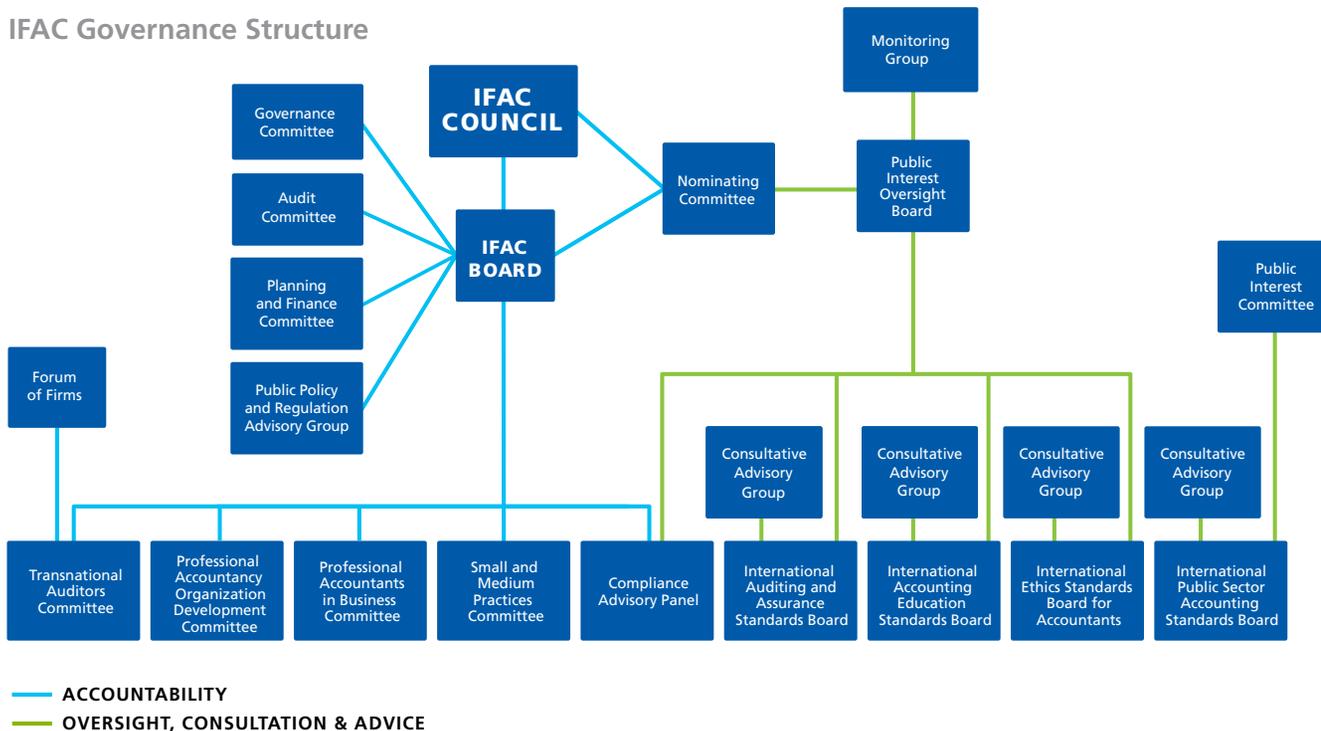
Under these brands, we publish numerous reports, guides, tools, standards, and handbooks. IFAC strives to make these materials accessible, to promote adoption and implementation of high-quality international standards for the accountancy profession and support high-quality practices, in the public interest. At the same time, considerable staff and volunteer

resources are devoted to developing, revising, and publishing these copyrighted materials. As such, we have developed policies and processes to maintain good stewardship of our intellectual property and ensure quality in translations and reproductions, including controlling access to certain materials and requiring authorizations for translating or reproducing.

Strong Governance and Constitutional Arrangements

IFAC's governance structure and processes are fit-for-purpose, ensuring that we consult the appropriate stakeholders, make and implement good decisions, and deliver on our strategy. The structure of IFAC's governance arrangements is set out below.

IFAC Governance Structure





2014-2015 IFAC Board:

(L to R) Standing: Wienand Schruff, In-Ki Joo, Raphael Ding, Kumar Raghu, Jacques Potdevin, Sebastian Owuama, Shinji Someha, Ahmadi Hadibroto, Masum Turker, Robert Harris, Terence Nombembe, Richard Petty and Michael Hathorn

(L to R) Seated: Pamela Monroe-Ellis, Gail McEvoy, Carol Bellringer, Joy Thomas, Olivia Kirtley, Rachel Grimes, Marta Rejman, Ana Maria Elorrieta and Norunn Byrkjeland

Missing: Zhiguo Yang

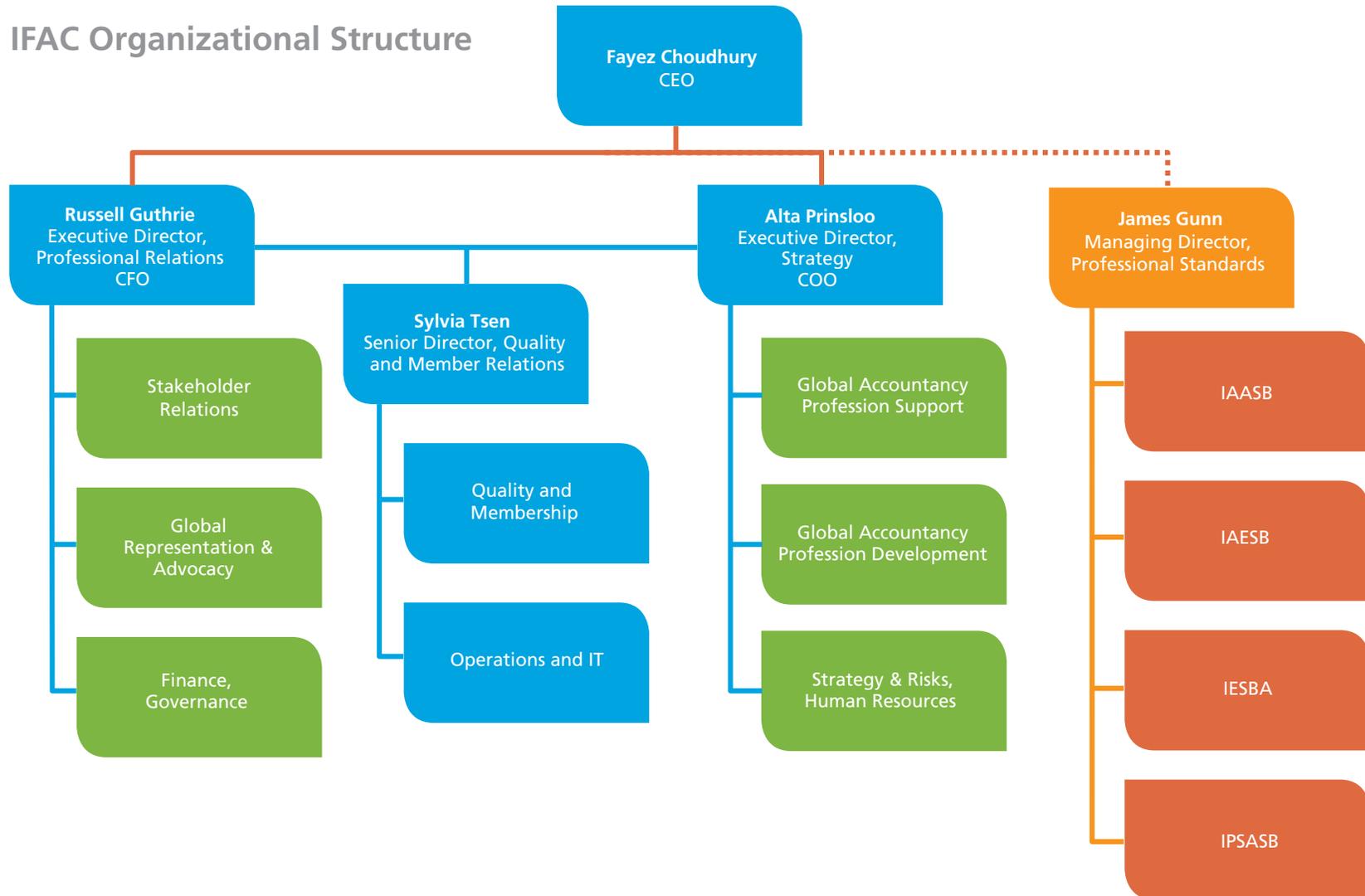


IFAC Management Team:

Gary Pflugrath, Director, Public Policy and Regulation; Laura E. Wilker, Director, Communications, Marketing & Brand; Alta Prinsloo, Executive Director, Strategy, and Chief Operating Officer; Fayez Choudhury, Chief Executive Officer; Russell Guthrie, Executive Director, Professional Relations, and Chief Financial Officer; Kelly Ånerud, Director, Intellectual Capital; Paul Thompson, Director, Global Accountancy Profession Support

Missing: Linda Lach, Director, Strategy and Development and Sylvia Wei Yen Tsen, Senior Director, Quality and Member Relations

IFAC Organizational Structure



FINANCIAL HIGHLIGHTS

IFAC maintains a control environment designed to ensure that the values of integrity, transparency, and expertise are inherent in every aspect of the organization. This environment provides for sound stewardship of the resources provided by member organizations, the Forum of Firms, and other funders, and for a clear decision-making and accountability framework.

These financial highlights should be read with the [2015 Financial Statements](#), which include the independent auditor's report.

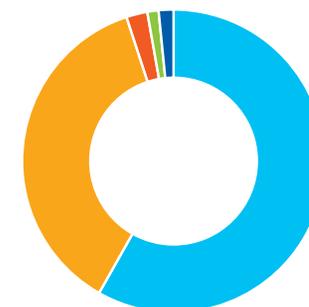
Financial Performance

- IFAC is reporting a deficit of \$173.5 thousand for 2015 (2014: \$1.6 million surplus). IFAC had an operating surplus of \$140.6 thousand offset by net unrealized foreign exchange losses on foreign currency bank accounts of \$314.1 thousand as a result of the strengthening US dollar during 2015.
- Total revenue increased by 4% (2014: 6%) to \$30.8 million.
 - Membership dues increased by 5.8%, over 2014 membership dues as a result of dues from existing members and new member organizations.

- Net contributions received from the Forum of Firms increased by 3.5%, including a 3.75% increase over the Forum's 2014 financial contribution to IFAC, offset by a decrease in expenses incurred by the Transnational Auditors Committee and reimbursed by the Forum.
- External funding decreased by 1% mainly due to lower external funding for the IPSASB.
- Publication sales and royalties and license fees decreased by 10.9%, while other revenue decreased by 21.6%.

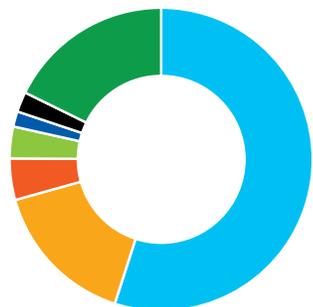
REVENUE	2015	2014
Membership Dues	\$17,932,700	\$16,952,500
Forum of Firms	11,334,576	10,954,824
External Funding	692,468	699,457
Publications, Royalties, and Licensing	369,720	414,977
Other Revenue	487,961	622,726
TOTAL REVENUE	\$30,817,425	\$29,644,484

2015 REVENUE



- Membership Dues 58%
- Forum of Firms 37%
- External Funding 2%
- Publications, Royalties, and Licensing 1%
- Other Revenue 2%

2015 EXPENSES



● Employee Costs	55%
● Travel and Meeting Costs	16%
● Occupancy and Maintenance	4%
● Funding for the Public Interest Oversight Board	3%
● Depreciation and Amortization	2%
● IT Support	2%
● Other Expenses	18%

EXPENSES	2015	2014
Employee Costs	\$17,032,142	\$15,790,928
Travel and Meeting Costs	4,873,569	4,434,355
Occupancy and Maintenance	1,367,201	1,260,542
Funding for the Public Interest Oversight Board	1,050,244	1,162,678
Depreciation and Amortization	504,473	539,939
IT Support	665,567	505,860
Other Expenses	5,497,680	4,348,493
TOTAL EXPENSES	\$30,990,876	\$28,042,795

- Total expenses increased by 10.5% (2014: increased by 10%) to \$31 million.
 - Employee costs increased by 7.9%. The increase was mainly due to modest increases in staff positions and remuneration offset by unplanned staff vacancies.
 - Travel and meeting costs increased by 9.9% mainly due to higher levels of activity across the organization.
 - Occupancy and maintenance increased by 8.5% due to unanticipated building maintenance.
 - IT support increased by 31.6%. The increase was mainly due to additional support for onsite meetings and special projects, and the write-off of software costs.
- Other expenses increased by 26.4% due to use of consultants, additional communication and promotion costs, higher recruitment and relocation costs, and foreign exchange loss driven by strengthening of the US dollar.

Financial Highlights

EXPENSE ALLOCATION TO ACTIVITIES	2015	2014
Standards Development	\$17,653,902	\$16,797,035
Global Representation & Advocacy	2,014,919	1,623,634
Global Accountancy Profession Support	4,099,702	3,743,352
Global Accountancy Profession Development	3,581,520	2,544,341
Quality & Membership	3,640,833	3,334,433
TOTAL EXPENSES	\$30,990,876	\$28,042,795

2015 ALLOCATION



Standards Development	57%
Global Representation & Advocacy	7%
Global Accountancy Profession Support	13%
Global Accountancy Profession Development	12%
Quality & Membership	12%

NET ASSETS/EQUITY	2015	2014
At beginning of year	\$9,708,820	\$8,107,131
Surplus/(deficit) for the year	(173,451)	1,601,689
AT END OF YEAR	\$9,535,369	\$9,708,820

Financial Position

- Total assets increased by 4.5% (2014: 13%) and total liabilities increased by 15.3% (2014: 3%) thereby reducing total net assets by 1.8%.
- At December 31, 2015, based on a discount rate of 4.6% (2014: 4.2%), the funded status of the defined benefit pension plan was negative \$2.62 million (2014: negative \$2.76 million). To manage the inherent risks and volatility in providing retirement benefits through a defined benefit pension plan in an uncertain economic environment, this plan was amended to provide that no further benefit accruals would occur after January 31, 2013. This amendment has resulted in the recognition of curtailments, which reduced IFAC's liability and expense in respect of the plan.
- The equity position as at December 31, 2015, was \$9.5 million (2014: \$9.7 million).

For more information about IFAC,
please contact:

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Communications, Marketing, and Brand

T +212-286-9344

www.ifac.org

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