The IIRC welcomes comments on all aspects of the Discussion Paper from all stakeholders, whether to express agreement or to recommend changes. Your answers to the Consultation Questions, and any other comments you would like to make, should be submitted on this form (submitted electronically at end of document) or sent via email to dpresponses@theiirc.org.

For the purpose of analysis, you are asked to identify the organization to which you belong and where it is located. All comments received will be considered a matter of public record and will be posted on www.theiirc.org.

Comments should be submitted by Wednesday 14th December 2011.

Name	Tom Kelman
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Organization	Association of Accounting Technicians
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Type of Stakeholder (please tick one as appropriate)

- ○ Academic
- ○ Analyst
- ○ Assurance Provider
- ○ Business
- ○ Consultant
- ○ Government
- ○ Inter-Governmental Agency
- ○ Investor
- ○ Labour Representative
- ○ Non-Governmental Organization
- ◉ Professional Body
- ○ Rating Agency
- ○ Standard Setter
- ○ Student
- ○ Think Tank
- ○ Trade or Industry Association
- ○ Other, please specify below

Key Points

If you wish to express any key points, or to emphasise particular aspects of your submission, or add comments in the nature of a covering letter, then the following space can be used for this purpose.

We appreciate that the work of the IIRC is currently focussed on the area of integrated reporting for larger entities but we do feel that the work needs to be extended in the future to also engage with the SME sector. We feel that by doing so this will ensure SME's are more aware and conscious of the role they have to play in the supply chain as regards sustainable development and of the benefits to be gained in operating in a more sustainable way.

We have some overall comments about the way the report is written. The content is written in a persuasive marketing style. It over claims the outcomes of integrated reporting by the frequent use of the word “will” when “may” or “can” would be more appropriate. Definitions are given that incorporate subjective outcomes.

The summary does not seem to flow directly from the main report or relate directly with the key points at the top of each section in the report.

The World has Changed – Reporting Must Too (page 5 of the Discussion Paper)

Q1. (a) Do you believe that action is needed to help improve how organizations represent their value-creation process? Why/why not?

Yes we do believe that action is needed.

We would agree with the observation that reporting has become increasingly complex and so any effort to de clutter this and focus on the most material matters that are of interest to stakeholders is to be supported.

By taking action organizations should become more transparent about how they operate and provide the end reader with a more informed view of how the organizations operations

Q1. (b) Do you agree that this action should be international in scope? Why/why not?

Yes we believe that the action should be international in scope.

Given the global nature of trade it is important that investors can easily compare and review like entries performance across borders.

Towards Integrated Reporting (page 6 of the Discussion Paper)

Q2. Do you agree with the definition of Integrated Reporting on page 6? Why/why not?

We do not wholly agree agree with the definition of Integrated Reporting.

The definition includes “it provides” (it may attempt to provide)” clear and concise” “coherent” – these are subjective attributes and can only be determined uniquely by individual users. Similarly “how it creates value” should be phrased “how it attempts to”– (because it may not create value).

The two “importantly” should be removed. Value has been included already in the first (main)

An International Integrated Reporting Framework (page 8 of the Discussion Paper)

Q3. Do you support the development of an International Integrated Reporting Framework? Why/why not?

Yes we fully support the development of an Integrated Reporting Framework as this will provide needed guidance for organizations to consider what they have to do to report in an appropriate and consistent way.

We do feel that the language needs attention to remove making claims that may not be true. We would suggest removing the word “will” and replace with “is intended to”.

Heading: An International Integrated Reporting Framework

Q4. (a) Do you agree that the initial focus of Integrated Reporting should be on reporting by larger companies and on the needs of their investors? Why/why not?

We appreciate that the IIRC has limited resources and so by starting with larger entities this makes perfect sense.

Q4. (b) Do you agree that the concepts underlying Integrated Reporting will be equally applicable to small and medium enterprises, the public sector and not-for-profit organizations?

We feel that the concepts are relevant to all entities but that their adoption will have to be proportionate so that the benefits to be gained from these entities working in a more sustainable way are not cancelled out by the cost of complying with the reporting framework. So we would expect for example the reporting framework for small and medium sized enterprises to be proportionate. We would also expect that further guidance should be made available through the collaboration of professional bodies and organizations with the IIRC.

Business Model and Value Creation (page 11 of the Discussion Paper)

Q5. Are: (a) the organization's business model; and (b) its ability to create and sustain value in the short, medium and long term, appropriate as central themes for the future direction of reporting? Why/why not?

Yes we believe that an organizations business model and its ability to create and sustain value are appropriate as central themes for the future direction of reporting.

By having a focus on these matters the reader should get to the heart of how a business operates and this allows the reader to then consider and compare if the entities values align with their own.

Heading: Business model and Value Creation

Q6. Do you find the concept of multiple capitals helpful in explaining how an organization creates and sustains value? Why/why not?

We find the concept very helpful and the way in which each of the capitals are defined provides a useful way to help the user better understand these terms.

We would make one comment under the Heading: resources and relationships or "capitals"
Social capital - refers to "collective well being" but who is the "collective"?
There is no consideration of the appropriate and fair reward for labour.

Guiding Principles (page 12 of the Discussion Paper)

Q7. Do the Guiding Principles identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report – are they collectively appropriate; is each individually appropriate; and are there other Guiding Principles that should be added? Why/why not?

We feel that the guiding principles provide a sound foundation and that they are collectively and individually appropriate. We also feel they are comprehensive and we do not see that any further guiding principles should be added at this time.

One observation we would make is with regards to responsiveness and stakeholder inclusiveness and the value of demonstrating the impact that an organization has had on its stakeholders.

Content Elements (page 15 of the Discussion Paper)

Q8. Do the Content Elements identified in the Discussion Paper provide a sound foundation for preparing an Integrated Report– are they collectively appropriate; is each individually appropriate; and are there other Content Elements that should be added? Why/why not?

We do believe that the contents elements provide a sound foundation for preparing an Integrated Report. However we found the second and third contents to be muddled and overlapping - Operating context, including risks and Opportunities and Strategic Objectives and strategies to achieve those objectives. We recommend these two contents are merged together.
Also on the fourth content element; Governance and remuneration p15 - it was not clear why why these are together - we feel that they should be separate.

What Will Integrated Reporting Mean for Me? (Reporting organizations – page 21, Investors – page 22, Policymakers, regulators and standard-setters – page 23, Other perspectives – page 24 of the Discussion Paper)

Q9. (a) From your perspective: Do you agree with the main benefits as presented in the Discussion Paper? Why/why not?

We do feel that the main benefits set out can be derived by the AAT from adopting integrated reporting. We aim to test this with adopting some element of integrated reporting in our 2011 annual report.

Q9. (b) From your perspective: Do you agree with the main challenges as presented in the Discussion Paper? Why/why not?

Yes we agree with the comprehensive list of challenges.

Q9. (c) From your perspective: Do you agree that Integrated Reporting will drive the disclosure of information that is useful for integrated analysis (from the perspective of investors)? Why/why not?

Yes we do especially as the information being in one place for the first time should drive demand from the users for this information to be provided by reporting entities.

Future Direction (page 25 of the Discussion Paper)

Q10. (a) Do you agree that the actions listed in the Discussion Paper should be the next steps undertaken by the IIRC? Why/why not? Are there other significant actions that should be added?

We feel that the actions listed are the best next steps.

Q10. (b) What priority should be afforded to each action? Why?

We feel that the first two actions should have the highest priority to make sure that Integrated Reporting is given a foundation based on practical real life examples and a framework which gives invaluable guidance and so a head start to those tasked with collecting data and preparing the reports for their respective entities.

Q11. Do you have any other comments that you would like the IIRC to consider?

Not at this time.

We would like to congratulate the team that has prepared the paper and made the consultation process as smooth as it has been so far.

Additional questions: These are NOT compulsory but will help with analysis if completed

I have provided feedback that reflects:

- ☐ Personal interest
- ☑ Interest of an organization, please provide the name of the organization:
  Association of Accounting Technicians

Which best describes your involvement with sustainability reporting?
Please tick all that apply.

- ☑ Reporter (prepare a report for my own organization)
- ☐ Consultant (report preparer on behalf of a third party)
- ☐ Assurance provider
- ☐ Report reader (read reports for the purpose of evaluating or analyzing organizations)
- ☑ Other, please specify:
  As a professional accountancy body representing the interests of o

Please indicate how many years of experience you have with sustainability reporting:

- ○ No experience
- ○ Less than 1 year
- ○ 1-5 years
- ○ More than 5 years

Submit to the IIRC