

Consultation questions

The IIRC welcomes comments on all aspects of the Draft International <IR> Framework (Draft Framework) from all stakeholders, whether to express agreement or to recommend changes.

The following questions are focused on areas where there has been significant discussion during the development process. Comments on any other aspect of the Draft Framework are also encouraged through the questions.

Please provide all comments in English.

All comments received will be considered a matter of public record and will be posted on the IIRC's website (www.theiirc.org).

Comments should be submitted by Monday 15th, July 2013.

Name:	<input type="text" value="Ignacio Boixo"/>
Email:	<input type="text" value="boixo@bde.es"/>
Stakeholder group:	<input type="text" value="Professional bodies – Accounting"/>

If replying on behalf of an Organization please complete the following:

Organization name:	<input type="text" value="XBRL Spain, non-for-profit Association"/>
Industry sector:	<input type="text" value="Financials"/>
Geographical region:	<input type="text" value="Western Europe"/>

Key Points

If you wish to briefly express any key points, or to emphasize particular aspects of your submission, or add comments in the nature of a cover letter, then the following space can be used for this purpose. Please do not repeat large amounts of material appearing elsewhere in your comments.

The provision by the IIRC of a common XBRL taxonomy for Integrated Reporting, in the line on the IFRS Foundation and its XBRL taxonomy, would greatly foster the adoption of the IR conceptual framework. XBRL Spain Jurisdiction is collaborating with Spanish Association of Accounting and Business Administration (AECA) in this area, as explained in the following bibliography:

J. Mora, M. Mora "XBRL and Integrated Reporting: The Spanish Accounting Association Taxonomy approach". The International Journal of Digital Accounting Research. Vol. 12, 2012, pp. 59- 91. ISSN: 1577-8517 (visited on July 2013 at http://www.uhu.es/ijdar/10.4192/1577-8517-v12_3)

J.L. Lizcano, F. Flores, M. Mora, M. Rejón et al. "Integrated Reporting: The Integrated Scoreboard (IS-FESG) and its XBRL Taxonomy". Pronouncement of the Spanish Association of Accounting and Business Administration (AECA) ISBN: 978-84-15467-59-5. 1st edition - September 2012. Visited on July 2013 at [http://is.aeca.es/wp-content/uploads/resources/Integrated%20Reporting%20The%20Integrated%20Scoreboard%20\(IS-FESG\)%20and%20its%20XBRL%20Taxonomy_english.pdf](http://is.aeca.es/wp-content/uploads/resources/Integrated%20Reporting%20The%20Integrated%20Scoreboard%20(IS-FESG)%20and%20its%20XBRL%20Taxonomy_english.pdf)

Abstract at http://www.aeca.es/comisiones/rsc/brief_executive_document_integrated_reporting.pdf

M. Mora "Integrated Scoreboard Taxonomy: Extending IFRS and COREP". Presentation on the 26th XBRL International Conference, Dublin, April 2013. Visited on July 2013 at http://archive.xbrl.org/26th/sites/26thconference.xbrl.org/files/NONF1_MariaMora_IntegratedScoreboardTaxonomyExtendingCOREPandIFRS.pdf

Chapter 1: Overview

Principles-based requirements

To be in accordance with the Framework, an integrated report should comply with the principles-based requirements identified throughout the Framework in bold italic type (paragraphs 1.11-1.12).

1. *Should any additional principles-based requirements be added or should any be eliminated or changed? If so, please explain why.*

Interaction with other reports and communications

The <IR> process is intended to be applied continuously to all relevant reports and communications, in addition to the preparation of an integrated report. The integrated report may include links to other reports and communications, e.g., financial statements and sustainability reports. The IIRC aims to complement material developed by established reporting standard setters and others, and does not intend to develop duplicate content (paragraphs 1.18-1.20).

2. *Do you agree with how paragraphs 1.18-1.20 characterize the interaction with other reports and communications?*

3. *If the IIRC were to create an online database of authoritative sources of indicators or measurement methods developed by established reporting standard setters and others, which references should be included?*

Other

4. *Please provide any other comments you have about Chapter 1.*

Chapter 2: Fundamental concepts

The capitals (Section 2B)

The Framework describes six categories of capital (paragraph 2.17). An organization is to use these categories as a benchmark when preparing an integrated report (paragraphs 2.19-2.21), and should disclose the reason if it considers any of the capitals as not material (paragraph 4.5).

5. *Do you agree with this approach to the capitals? Why/why not?*

6. *Please provide any other comments you have about Section 2B?*

Business model (Section 2C)

A business model is defined as an organization’s chosen system of inputs, business activities, outputs and outcomes that aims to create value over the short, medium and long term (paragraph 2.26).

7. *Do you agree with this definition? Why/why not?*

Business model (Section 2C) continued

Outcomes are defined as the internal and external consequences (positive and negative) for the capitals as a result of an organization’s business activities and outputs (paragraphs 2.35-2.36).

8. *Do you agree with this definition? Why/why not?*

9. *Please provide any other comments you have about Section 2C or the disclosure requirements and related guidance regarding business models contained in the Content Elements Chapter of the Framework (see Section 4E)?*

Other

10. *Please provide any other comments you have about Chapter 2 that are not already addressed by your responses above.*

Chapter 3: Guiding Principles

Materiality and conciseness (Section 3D)

Materiality is determined by reference to assessments made by the primary intended report users (paragraphs 3.23-3.24). The primary intended report users are providers of financial capital (paragraphs 1.6-1.8).

11. *Do you agree with this approach to materiality? If not, how would you change it?*

12. Please provide any other comments you have about Section 3D or the Materiality determination process (Section 5B).

Reliability and completeness (Section 3E)

Reliability is enhanced by mechanisms such as robust internal reporting systems, appropriate stakeholder engagement, and independent, external assurance (paragraph 3.31).

13. How should the reliability of an integrated report be demonstrated?

14. Please provide any other comments you have about Section 3E.

Other

15. Please provide any other comments you have about Chapter 3 that are not already addressed by your responses above.

Chapter 4: Content Elements

16. Please provide any comments you have about Chapter 4 that are not already addressed by your responses above (please include comments on the Content Element Business Model [Section 4E] in your answer to questions 7-9 above rather than here).

Chapter 5: Preparation and presentation

Involvement of those charged with governance (Section 5D)

Section 5D discusses the involvement of those charged with governance, and paragraph 4.5 requires organizations to disclose the governance body with oversight responsibility for <IR>.

17. Should there be a requirement for those charged with governance to include a statement acknowledging their responsibility for the integrated report? Why/why not?

18. Please provide any other comments you have about involvement of those charged with governance (Section 5D).

Credibility (Section 5E)

The Framework provides reporting criteria against which organizations and assurance providers assess a report's adherence (paragraph 5.21).

19. *If assurance is to be obtained, should it cover the integrated report as a whole, or specific aspects of the report? Why?*

20. *Please provide any other comments you have about Credibility (Section 5E). Assurance providers are particularly asked to comment on whether they consider the Framework provides suitable criteria for an assurance engagement.*

Other

21. *Please provide any other comments you have about Chapter 5 that are not already addressed by your responses above (please include comments on the materiality determination process [Section 5B] in your answer to question 11 above rather than here).*

Three of the key modern requirements for reporting would be described as:

1. the massive amount of organizational information, both audited and unaudited,
2. the need of connection between financial and sustainability publications,
3. the efficiencies of a full structured format (beyond PDF-based) for reports delivery.

The aim of XBRL is exactly to improve the communication of financial and business information, allowing a seamless flow of data across computers and thus facilitating the sharing of data by the users (Valentinetti and Rea, 2011).

Overall view

22. *Recognizing that <IR> will evolve over time, please explain the extent to which you believe the content of the Framework overall is appropriate for use by organizations in preparing an integrated report and for providing report users with information about an organization's ability to create value in the short, medium and long term?*

Development of <IR>

23. *If the IIRC were to develop explanatory material on <IR> in addition to the Framework, which three topics would you recommend be given priority? Why?*

Other

24. *Please provide any other comments not already addressed by your responses to Questions 1-23.*

It is needed more information about how the XBRL is involved in the digital reporting process of the integrated reports. Benefits, implantation guides and also an XBRL taxonomy may be provided to align this technology with the reporting process. IIRC should consider at the same time, the current reporting process where the companies are involved in reference to their sustainability arena in a voluntary and\or compulsory way aligned with the XBRL initiatives supported by non profit organizations involved as an example. CDP, GRI, AECA, considering their public XBRL taxonomies and reporting service supports

Also, IIRC should consider the alignment with the current financial requirements in Europe and all over the world where XBRL is becoming compulsory and how XBRL could drive the financial information users to the Integrated Report. As an example, the upcoming amendments, where it is demands for the quoted companies published more details about their Greenhouse Gas (GHG) emissions as part of their financial report, under Management Report in Spain or the Company's Act 2006 in UK, making reference to recognized frameworks as CDSB, CDP, GRI..

From our opinion all this points are important as a motivation for the companies and governments to be more focus on the value creation without regards IR as a new reporting framework with a new reporting process, when it can be materialized through XBRL, increasing the significance of the end-data and the natural evolution of the corporate reporting

Please save the completed PDF form to your computer and submit via the IIRC website at www.theiirc.org/consultationdraft2013