

17 December 2014

The International Integrated Reporting Council
(IIRC)

by E-mail: assurance@theiirc.org

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Dear Sir or Madam

**Re.: IDW Comment Letter on IIRC Papers
Assurance on <IR>: An Introduction to the Discussion, and
Assurance on <IR>: An Exploration of the Issues**

We would like to thank you for the opportunity to provide the IIRC with our comments on the assurance papers entitled “Assurance on <IR>: An Introduction to the Discussion” (hereinafter referred to as the “introduction assurance paper”) and “Assurance on <IR>: An Exploration of the Issues” (hereinafter referred to as the “exploration assurance paper”).

Both assurance papers take the integrated reporting framework as a given, rather than seeking to use the papers as a basis for feedback on potential improvements to the integrated reporting framework. The discipline of considering the application of assurance engagements on reporting frameworks provides a sound basis for determining whether there is room for improvement in reporting frameworks and standards. We therefore hope that the IIRC will take this opportunity to use the feedback from comments on the assurance papers to consider whether some improvements can be made to the integrated reporting framework.

In particular, we have come to the conclusion that there are many issues and suggestions raised in the assurance papers as assurance issues (e.g., matters needing assurance methodologies or approaches) that are actually reporting

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(i.e., measurement or evaluation for preparation) issues in the first instance and that therefore indicate further improvements to the integrated reporting framework are needed for the framework to represent suitable criteria.

To this effect, we have responded to the Questions posed in the assurance introduction paper, which outline our views on these matters in greater detail.

We would be pleased to respond to you about any questions that you may have in relation to our comments.

Yours sincerely



Klaus-Peter Feld
Executive Director



Wolfgang Böhm
Director Assurance Standards,
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APPENDIX 1:

Responses to the Questions Posed in the Assurance Paper

Practical implementation challenges

Q1. What priority should be placed on assurance in the context of driving credibility and trust in <IR>?

Investors and other stakeholders place trust in the audited financial statements because they have credibility from having been subjected to a rigorous audit by independent auditors. Likewise, a prerequisite for investors and other stakeholders placing trust in the information in an integrated report would be that such reports are subjected to an assurance engagement using standards that are generally recognized as ensuring high quality assurance engagements on these reports, which increases their credibility. Ultimately, such trust is manifested in lower costs of capital for the entities issuing the integrated reports.

For these reasons, we support a high priority being placed on assurance on integrated reports in the context of driving credibility and trust.

Q2. What are the key features of assurance that will best suit the needs of users of integrated reports in years to come?

The narrative in 3.8 to 3.11 of the introduction assurance paper raises a number of issues related to the key features of assurance.

First we note that paragraph 3.8 states that “Limited assurance is similar to the level of assurance obtained in a review of interim financial statements”. This statement is not in line with ISAE 3000 (Revised), which clarifies that limited assurance across all assurance engagements represents a range from clearly more than inconsequential to just below reasonable assurance. The statement therefore tends to aggravate misconceptions about limited assurance.

Second, paragraph 3.8 also states that “reasonable assurance might be obtained on hard data, and limited assurance on soft data and the completeness of an integrated report.” We note that ISAE 3000 and ISAE 3000 (Revised) were both very clear that if the (underlying) subject matter and criteria are not appropriate and suitable, respectively, then neither a limited nor

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reasonable assurance engagement can be performed, and when a reasonable assurance engagement cannot be performed, then a limited assurance engagement also cannot be performed. Hence, the statement in 3.8 also tends to aggravate misconceptions about limited assurance.

The other mechanisms mentioned in paragraphs 3.10 and 3.11 of the introduction assurance paper may increase the credibility of integrated reports due to a perceived increase in their reliability. However, assurance for third parties as to the reliability of information in an integrated report can only be obtained through an independent practitioner. Hence, from our point of view, these mechanisms can only be a prerequisite for assurance, but not represent assurance. We are not convinced that integrated reporting requires a new approach to assurance with a basic rethink of tenets such as independence, evidence gathering procedures, the subject matter of assurance, and the content of the assurance report: these matters define what assurance – as opposed to other forms of credibility – is. In particular, we note that ISAE 3000 contemplates long form, discursive reporting in addition to short form reporting.

We suspect that the pressure to perform a basic rethink results from the fact that preparers and users would like to obtain positive opinions on integrated reports as a whole from practitioners, which signifies that reasonable assurance has been obtained, but are not necessarily prepared to incur the cost involved in having reasonable assurance engagements performed. We believe it would be unsound to suggest reducing the evidence obtained but labelling the conclusions in an assurance report as reasonable assurance conclusions by expressing them in a positive form. This approach would cheapen the meaning of reasonable assurance and lead to a widening of the expectations gap for users.

Q3. Is the availability of suitably skilled and experienced practitioners a problem in your jurisdiction, and if so what needs to be done, and by whom, to remedy the situation?

In our jurisdiction (Germany), there are sufficient suitably skilled and experienced members of the Wirtschaftsprüfer profession to meet the current, rather low, demand for assurance engagements on integrated reporting – particularly since our profession has considerable experience in performing reasonable assurance engagements on the management report, which in Germany includes much information that is similar to that in an integrated report. In our view, as demand for assurance engagements on integrated reports rises,

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our members will be able to engage in continuing professional development to obtain the competencies and skills needed to perform those engagements.

Q4. What needs to be done, and by whom, to ensure the quality of assurance on <IR> is maintained at a high level, including practitioners' adherence to suitable educational, ethical (including independence), quality control and performance standards?

Our practitioners are required to maintain quality control at a firm level in accordance with our national quality control standard, which is in line with ISQC 1. Furthermore, our practitioners are also subject to ethical requirements (including independence) that are in line with those of the IESBA Code. Under the requirements to which our members are subject, our members are required to ensure that the engagement team is sufficiently competent to perform the engagement; our members are also required to undertake adequate continuing professional development to maintain their competence. When performing an assurance engagement, our members would perform their engagement in accordance with assurance standards issued by our Institute or in accordance with applicable international standards. We also note that our members are subject to regulatory oversight and disciplinary proceedings, which help ensure that the requirements described are fulfilled.

Therefore, when such engagements are performed by our members, these measures help ensure high quality assurance engagements performed on integrated reports.

However, the performance of assurance engagements outside of statutory audits of financial statements and some other statutory engagements is not a restricted activity in our jurisdiction: these engagements can be performed by others, including consultants. There are other forms of "verification" that are performed by these consultants. Many of these consultants are not subject to the quality control, ethical, educational and performance requirements, and do not have any systematic training in assurance competencies and skills. In these cases, there is a greater danger that assurance engagements of lower quality would be performed, or that other "verification engagements" would be performed that are associated with a greater expectations gap.

We believe that more needs to be done to clarify to investors and other users that there are important differences in the potential quality of engagements performed by members of the profession versus other parties, such as consultants.

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Q5. Is the robustness of internal systems a problem, and if so what needs to be done, and by whom, to remedy the situation?

We believe that this issue is of central importance – not only for assurance engagements – but, in particular, for the accountability of preparers (management) to users. When management, as a preparer, includes assertions in a document supposed to be of investment grade, then management needs to be accountable to users of that document for the assertions it includes. Prerequisite for accountability is that management has an appropriate basis for the assertions it makes, which implies that such assertions should be supported by adequate evidence to justify having made them. Assertions made without any justification or support through adequate evidence “have no more basis than so many feet of ‘blue sky’”. Of course, the nature and extent of the assertion determines what “adequate” means in relation to evidence.

The prerequisite of adequate evidence for assertions made implies that preparers need to have robust internal reporting systems and processes in place to identify relevant events and conditions, record the salient information about these events and conditions as evidence about them, and evaluate and summarize this information for the purposes of reporting. Such systems and processes need to be supported by appropriate internal controls over the reporting process to provide reasonable assurance that the disclosures made in the investment grade documents are sufficiently valid and reliable.

The integrated reporting framework does include some guidance in paragraph 3.4 on robust internal control and reporting systems, and internal audit. In addition, paragraph 3.42 refers to an “audit trail” and refers to the reliability of the information reported. The inclusion of this guidance is a great step forward for a reporting standard setter compared to the lack of such guidance for most financial reporting standards. However, given the centrality of these issues, we believe that when the integrated reporting framework is revised, the issues of accountability, evidence, and systems and processes ought to be given much greater prominence, since these are prerequisites for valid and reliable integrated reports. For these reasons, we believe that these matters should be raised to guiding principles at the next available opportunity.

Some of the questions below (in particular, Question 10) ask whether assurance standard setters should address certain matters. We believe that many of these matters are reporting issues in the first instance – not assurance issues. The fact that these matters are being addressed in an assurance paper indicates that these matters need to be addressed in the integrated reporting framework in the near future.

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Q6. Is assurance likely to be a cost effective mechanism to ensure credibility and trust over (a) the short/medium term; (b) the long term?

Research has shown that audits of financial statements have a value to capital markets that is a number of orders of magnitude greater than the cost of those audits. If investors were to value the information provided by integrated reports at least to a significant proportion of as much as they value the information in financial statements, then the value of assurance engagements in relation to these reports is also likely a number of orders of magnitude greater than the cost of those assurance engagements. Consequently, the real issue is whether investors value the information in integrated reports enough to justify their needing assurance engagements to ensure credibility and trust. Furthermore, the other issue is whether preparers are prepared to incur the cost even if the benefit for investors might be considerable. This is therefore not an issue of the short or medium term vs. the long term.

For these reasons, we believe that as long as investors value integrated reports sufficiently and preparers are prepared to bear a reasonable cost for assurance engagements on integrated reports, there will be a demand for these assurance engagements. Early indications in our market are that preparers are not prepared to incur the cost for reasonable assurance engagements on integrated reports that is comparable to the cost of the audit of their financial statements, even though the information included in integrated reports is often very complex and interconnected. For this reason, we presume that if assurance engagements will be performed on integrated reports, for the time being they will likely largely be limited assurance engagements.

Q7. If so, what needs to be done, and by whom, to maximize the net benefits of assurance?

Given our response to Question 6, we believe that the question is not what needs to be done to maximize the benefit of assurance, but what needs to be done to sensitize investors to the benefits of integrated reporting and the related benefits of assurance thereon so that they are prepared to pressure management to have assurance engagements performed at a reasonable cost. If investors do not value integrated reports and related assurance engagements enough to pressure management to have such assurance engagements performed, then such engagements will not be performed.

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Technical challenges

Q8. Should assurance standard setters develop either or both (a) a new assurance standard; (b) guidance, to ensure consistency of approach to such issues?

Given the outstanding technical reporting issues addressed in the following questions, we believe it is too early to develop a new assurance standard. Furthermore, until these issues have been dealt with in a meaningful way in the integrated reporting framework, it would be difficult to provide meaningful guidance to assurance practitioners. At this stage, it would be more important that assurance standard setters, in particular the IAASB, seek to analyze and evaluate the issues, and consult with stakeholders, including the IIRC. For this reason, it may be better for assurance standard setters to issue consultation or issues papers at this stage. Once the issues have been addressed in a meaningful manner, it will become more apparent what additional reporting guidance is needed to improve the integrated reporting framework and whether additional assurance guidance or standards are appropriate.

Q9. Should any such standard/guidance be specific to <IR>, or should it cover topics that are also relevant to other forms of reporting and assurance, e. g., should a standard/guidance on assuring narrative information, either in an integrated report or elsewhere, be developed?

As pointed out in our response to Question 8, it is not clear whether standards or guidance would be appropriate because the nature and extent of the relevant issues have not yet been appropriately analyzed and evaluated by assurance standard setters or the IIRC. Consequently it is not clear at this stage whether any such standard or guidance should cover topics that are relevant to other forms of reporting and assurance. In particular, the issue of assurance on narrative information is a matter that relates to the audit of financial statements (i.e., the notes) and other assurance engagements, and therefore might require more general consideration.

Q10. What are the (a) key challenges and (b) proposed approaches that assurance standard setters should consider with respect to:

- **Materiality?**

Materiality is not an assurance issue in the first instance, but a reporting (i.e., accounting) issue. For financial statements materiality relates to the

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significance to matters in relation to the financial statements as a whole – that is, materiality is considered in relation to what (the underlying subject matter: e.g., financial position, financial performance and cash flows, collectively) is presented in the financial statements (the subject matter information). What makes the application of the concept of materiality as described in paragraph 3.17 and 3.24 of the integrated framework difficult is the lack of the presentation of an overall underlying subject matter to which a consideration of materiality can relate, which would permit an overall assertion other than just one relating to compliance with the applicable criteria.

For example, paragraph 1.1 of the Framework defines an integrated report about how an organization’s strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term. This suggests that separate overall assertions are required on each of these underlying subject matters (strategy, governance, performance, prospects) in relation to their creation of value. In contrast, paragraph 1.7 of the Framework explains that the primary purpose of an integrated report is to “explain ... how an organization creates value over time”. This suggests that the overall underlying subject matter might be “how the organization creates value over time” and the subject matter information might be the explanation thereof in accordance with the integrated reporting framework.

However, there is no clarity on these matters, and this lack of clarity makes it difficult to determine how materiality should be regarded for integrated reports as a whole. This is a matter that needs to be addressed the next time the integrated reporting framework is revised.

- **The reporting boundary?**

The reporting boundary is one of the most intractable issues for integrated reporting because the integrated reporting framework contemplates boundaries that include entities or activities outside of those that are controlled or influenced by the primary entity whose value creation activities are being explained in the integrated report. The issues identified in the exploration assurance paper are the right ones – in particular how to deal with information provided by these other entities and how they ought to be subjected to assurance procedures.

Ultimately, unless the assurance practitioner has been able to become sufficiently involved in the work of other assurance practitioners and is

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satisfied with their work, it is unlikely that assurance can be obtained on information received from outside the primary entity through the use of the work of other practitioners.

Paragraph 4.16 of the exploration assurance paper suggests that it will be important for the assurance practitioner's report to clearly articulate which information is covered by the assurance conclusion and which is not. In our view, this is an issue that ought to be covered in the integrated reporting framework: the framework should require management to disclose which information is a part of the integrated report and which information just refers to other information not a part of the report. To the extent that information within the integrated report is not covered by an assurance conclusion, the framework should also require that management clarify this within the integrated report itself.

- **Connectivity?**

We agree with the identification of the issues by the exploration assurance paper that assertions about connectivity are particularly difficult to subject to assurance procedures and that evidence to support connectivity assertions is particularly difficult to obtain. However, we are not convinced this issue is necessarily an assurance issue in the first instance: it is a reporting standard issue that needs to be addressed with greater clarity in the integrated reporting framework. In particular, there do not appear to be clear criteria for determining the appropriateness of the connectivity of disclosures, which would be a prerequisite for preparers to determine how to make adequate disclosures in this regard. Once these criteria exist, it is the responsibility of management to gather adequate evidence to support the connectivity assertions made in the integrated report. When management has gathered this evidence, then assurance practitioners can evaluate connectivity in an integrated report.

- **Completeness?**

Since it would be difficult to develop criteria for completeness within the framework for integrated reporting for all of the different kinds of reporting entities, it is important that preparers describe the criteria that they have applied and how they applied them in the process of preparing the integrated report. While the integrated reporting framework does provide a requirement and guidance on the basis of preparation and presentation, including how the organization determines what matters to include in the assurance report and how such matters are quantified and evaluated, it does not specifically mention the issue of the disclosure of

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criteria and their application in the preparation process, other than in relation to materiality. For this reason, we believe that a prerequisite for assurance on the completeness aspect of an integrated report is predicated on the framework for integrated reporting requiring the disclosure of those completeness criteria and how they were applied. Consequently, we do not support the notion suggested in the assurance exploration paper, that principles-based guidance on how to assess the completeness of an integrated report under an assurance engagement could be very useful, since this is a reporting standards matter – not an assurance matter.

- **Narrative reporting and future-oriented information?**

We would like to point out that the notes to the financial statements contain considerable narrative information; the same applies to the management report in Germany, upon which reasonable assurance conclusions are given as part of the audit of the financial statements. For these reasons, we are convinced that our practitioners have considerable experience in obtaining assurance on narrative reporting. We are more concerned with some of the assertions made in the introduction assurance paper with respect to soft narrative and the inability to obtain sufficient appropriate evidence to support such disclosures. The question arises whether management ought to be including assertions in an integrated report that it cannot support with adequate evidence – that is not to say that the nature and extent of the evidence that is sufficient and appropriate might vary by the nature of the assertion made. For example, when management provides its views on matters, then it should also be prepared to have obtained the evidence to support those views and justify their inclusion in the integrated report. We are also concerned with the assertion in the introduction assurance paper that assurance guidance might be needed to explore how practitioners might address the risk of subjectivity. We would like to point out that this is a reporting issue – not an assurance issue – in the first instance because management should need to consider how to reduce the risk of disclosed information being too subjective. Hence, this is also an issue that actually requires further guidance in the integrated reporting framework.

With respect to future-oriented information, we note that practitioners cannot predict the future and therefore cannot provide an opinion on future-oriented information. However, practitioners can evaluate the

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reasonableness of the underlying assumptions based on evidence that management has obtained to support those assumptions, whether the future-oriented financial information was appropriately derived from those assumptions, and whether adequate disclosures about the assumptions and the criteria used to prepare the future-oriented information have been provided in the integrated report. Our practitioners have considerable experience in performing these kinds of engagements.

With respect to narrative reporting and future-oriented information, we also believe that the integrated reporting framework requires more guidance on how management should deal with the inherent limitations on the measurement or evaluation of, and evidence for, such reporting and information. Furthermore, the integrated framework also ought to require management to disclose those inherent limitations in the integrated report.

Q11. What other technical issues, if any, specific to <IR> should be addressed by assurance standard setters?

As we mentioned in our responses to Questions 8 and 10, most of the issues in the exploration assurance paper identified as requiring further assurance guidance or methodologies actually relate to ambiguities in the integrated reporting framework – i.e., they are reporting, and not assurance issues in the first instance. In addition to the issues in this context identified in Questions 8 and 10 we note the following examples of assertions by paragraph in the exploration assurance paper that suggest more guidance or better methodologies are required for assurance, when in fact the proposals suggest that the integrated reporting framework can be improved by providing more requirements and guidance for preparers with respect to the noted matters [with some comments on our part in square brackets]:

- 4.22: “It is not sufficiently clear what constitutes the integrated report or what the assurance conclusion covers”.
- 4.23: “Accordingly, preparers of an integrated report need evidence to support statements they make in the integrated report”.
- 4.30: “Accordingly, an assurance practitioner [preparers] will need to consider whether the context and tone set by the manner in which the various disclosures are made is appropriate so as not to cause the integrated report to be misleading to the intended users. Guidance on

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assessing the tone of narrative reporting might be helpful to practitioners.” [It might be helpful to preparers too.]

- 4.33: “Preparers of integrated reports will need to challenge themselves as to the appropriateness of disclosures that fall in the classification of soft narrative. To include disclosures of the nature of views and judgments in an integrated report, the matters should be consistent with what is reflected in various reports, communications and in the organization’s operating practices; if they are not, it is likely that there isn’t a sufficient basis for the organization to make the disclosures. Assurance engagements [preparers too!] will need to address whether a sufficient basis exists for such disclosures.”
- 4.34: “Evaluating [also preparing!] quantified estimates requires exercise of professional judgment in [for preparers also selecting] evaluating the appropriateness and reasonableness of the assumptions used in preparing the estimates. ... Rather the assurance conclusion [the preparers] might consider whether the assumptions underpinning estimates provide a reasonable basis for such disclosures.”
- 4.35: “Preparers will need to have a sufficient basis for such an estimate for the assurance practitioner to assess.”
- 4.37: “Considerations by assurance practitioners [preparers?] might centre on whether a diagram is representative of the facts and whether the interpretations drawn by the intended users are likely to be consistent with the facts.”
- 4.43: “Accordingly an assurance practitioner [preparer] would need to assess the suitability of such other frameworks or methods for purposes of the disclosures in an integrated framework.”

Given these issues and those addressed in the responses to the previous Questions posed above, there is a case that the integrated reporting framework requires further augmentation for it to represent suitable criteria.

Q12. What are the (a) Key challenges and (b) proposed approaches that assurance standard setters should consider with respect to:

- **Reasonable assurance?**

With respect to reasonable assurance, the primary challenge is the fact that a reasonable assurance conclusion is predicated on the practitioner having obtained a sufficient understanding of the entity and its

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environment (including obtaining an understanding of internal control relevant to the engagement) and the matters disclosed in the report to be able to perform a risk assessment, performing a risk assessment, and responding to those risks through tests of controls and “substantive” procedures to reduce engagement risk to an acceptably low level. This implies that reasonable assurance engagements, when properly performed, involve significantly greater work effort than limited assurance engagements or other forms of “verification” reports. Indeed, given the nature and extent of disclosures in an integrated report, it is hard to argue how the work effort of a reasonable assurance engagement for a complete integrated report would not need to be comparable to, if not greater than, for an audit of the financial statements of the same entity. This, of course, has cost implications. The key issue is whether users will value reasonable assurance engagements on integrated reports enough to make such engagements economically viable.

The approach we have addressed here is that based on ISAE 3000 (Revised). We are not convinced that labelling another approach as leading to “reasonable assurance” that involves obtaining less assurance is appropriate because it will lead to confusion among users as to the meaning of reasonable assurance.

- **Limited assurance?**

The key issue with respect to limited assurance engagement is the fact that such engagements can only be performed if the nature of the underlying subject matter is appropriate, the criteria are suitable, and the sufficient appropriate evidence can be obtained, such that a reasonable assurance engagement can be performed. The fallacy that a limited assurance can be performed when the data isn’t “hard” is perpetuated in paragraph 3.8 of the introduction assurance paper. When a reasonable assurance engagement cannot be performed due to inappropriate underlying subject matter, unsuitable criteria, or the inability to obtain sufficient appropriate evidence, a limited assurance engagement cannot be performed either. We are aware that some practitioners in some jurisdictions are misusing the concept of limited assurance to seek to inappropriately “mitigate” the effects of insurmountable inherent limitations on assurance engagements when these inherent limitations imply that an assurance engagement as conceived cannot be performed. Furthermore, if management does not have the systems and

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processes in place to be able to gather the evidence required to support its assertions in an integrated report, this should lead to a qualified or disclaimer of conclusion due to a scope limitation – not a limited assurance conclusion.

The other main issue with respect to limited assurance engagements is the fact that there is, potentially, a wide range of assurance that would constitute limited assurance. ISAE 3000 requires the practitioner's report to provide a more detailed summary of the procedures performed than for a reasonable assurance engagement so that users can ascertain the assurance that appears to have been obtained based on the nature and extent of procedures performed.

- **Hybrid engagements?**

Hybrid engagements (that is, expressing reasonable assurance and limited assurance conclusions, and also the factual findings resulting from the performance of agreed-upon-procedures, on different disclosures within an integrated report due to relative cost considerations – not due to inherent or scope limitations) are certainly an acceptable means of managing the cost of “verification” for integrated reports. However, key to this approach is the identification by management in the integrated report of which disclosures were subject to which engagements, together with corresponding disclosures by the practitioner in the practitioner's report.

- **Agreed-upon procedures engagements?**

The performance of agreed-upon-procedures on certain disclosures in an integrated report may be useful in some circumstances. However, only the factual findings resulting from the performance of the agreed-upon-procedures can be provided by the practitioner in the practitioner's report. By definition, factual findings do not include conclusions on the disclosures in the integrated report that require professional judgment (rather professional judgment is exercised in designing and agreeing upon the procedures). We are aware that some practitioners in some jurisdictions misuse agreed-upon-procedures engagements to form assurance conclusions (which, by definition, require professional judgment) on subject matter information, particularly when separate conclusions on different disclosures are desired.

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- **Other approaches?**

We are not convinced that there are sensible approaches to dealing with “verification” of integrated reports other than the ones addressed above. Other forms of “verification” are likely to confuse users: users will assume that assurance has been obtained or that factual findings are being reported. We are particularly concerned with the proposal by ICAS as described in paragraph 5.21 of the exploration assurance paper. We note that, as pointed out in paragraph 5.22, there cannot be another meaningful level of assurance outside of reasonable or limited assurance. Furthermore, unless “balanced and reasonable” were to be the basis for further criteria by incorporation into the integrated reporting framework, we do not believe that these concepts are appropriate for an assurance engagement.

Q13. What are the (a) key challenges and (b) proposed approaches that should be considered, and by whom, to ensure assurance on <IR> pays due regard to other assurance processes?

We would like to point out that auditors of group financial statements as defined in ISA 600 use the work of component auditors to form an opinion on group financial statements. This is predicated upon management of the group having the systems and processes in place to prepare and support the disclosures in group financial statements derived from disclosures in the financial information from components, and upon the group auditor arranging sufficient group auditor involvement in the work of component auditors. Management of groups and auditors of group financial statements have met this challenge. From our point of view, the key challenge for practitioners performing assurance engagements on integrated reports when some of the information therein is derived from other reports that have been subjected to some form of assurance is ensuring that the analogous prerequisites noted (management of the entity having the systems and processes in place to prepare and support the disclosures in the integrated report based on other reports, and the practitioner expressing assurance conclusions on the integrated report arranging sufficient own involvement in the work of practitioners on information, from other sources, included in the integrated report) are fulfilled.