

International Update

IFAC's Reporting Policy Position Paper Focuses on Integrated Reporting

A revised and updated version of IFAC's Policy Position Paper 8, Enhanced Organisational Reporting: Integrated Reporting Key is available on the IFAC website. The paper outlines IFAC position that integrated reporting is the way to achieve a more coherent corporate reporting system, fulfilling the need for a single report that provides a fuller picture of organisations' ability to create value over time. Other IFAC's views detailed in the paper are:

- 1) IFAC's strong support for the International Integrated Reporting Council and implementation of its Framework.
- 2) That the integrated report can be used as an "umbrella" report for an organisation's broad suite of reports and communications, enabling greater interconnectedness between different reports and recognising that there is a range of different frameworks and regulations available, and under development.
- 3) The importance of reporting that produces information on which assurance conclusions can be expressed, in accordance with high-quality international assurance standards.
- 4) The accountancy profession's significant contribution, and its important role, in developing and implementing enhanced organisational reporting, with professional accountants playing an important role in broad-based organisational reporting arrangements, and in providing assurance.

This updated edition of the paper includes a new section, "A Coherent Corporate Reporting System with Integrated Reporting", which describes integrated reporting in more detail and the connection to integrated thinking as a foundation.

IPSASB Issues Emissions Trading Schemes Paper

The International Public Sector Accounting Standards Board (IPSASB) staff has issued a background paper to provide information on Emissions Trading Schemes (ETSs) and other government interventions that reduce emissions of greenhouse gases. The paper provides background information on ETSs and supports the IPSASB's potential future development of approaches for accounting for entities' involvement in ETSs.

Latest Edition of IAASB Handbook 2016-2017 Released

The latest edition of the Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements 2016-2017 has been released, which includes:

- 1) New and revised Auditor Reporting standards designed to enhance auditor's reports for investors and other users of financial statements, as well as changes to

other International Standards on Auditing to address the auditor's responsibilities in relation to going concern, financial statement disclosures, and other information (i.e., annual reports).

- 2) Revised ISAs in the 800 Series, which include limited amendments as a result of the new and revised standards in the Auditor Reporting project.
- 3) ISA 250 (Revised), Consideration of Laws and Regulations in an Audit of Financial Statements and amendments to other International Standards in response to the new requirements addressing non-compliance with laws and regulations (NOCLAR) in the IESBA Code of Ethics for Professional Accountants. ISA 250 (Revised) is effective for audits of financial statements (and other services) for periods beginning on or after December 15, 2017. Volume III includes the IAASB's Framework for Audit Quality: Key Elements that Create an Environment for Audit Quality, a topic that is a key focus area for the IAASB.

IPSASB discussed PFM environment, approves IPSAS 40

The International Public Sector Accounting Standards Board (IPSASB) Consultative Advisory Group, in its recent meeting, discussed needs and perspectives in the current public financial management (PFM) environment, which included the IPSASB's role and responsibility in the global PFM landscape and initial input to the IPSASB's next strategy and work plan. The projects on Public Sector Combinations, Financial Instruments, Leases, and Heritage were also discussed. The IPSASB in a separate meeting, approved IPSAS 40, Public Sector Combinations. The standard, which has an effective date of January 1, 2019, is expected to be issued in late January or February 2017.

Engagement and Outreach in Support of the New Auditor's Report

The International Auditing and Assurance Standards Board (IAASB)'s new and revised auditor reporting standards have taken effect—they became effective for periods ending on or after December 15th, 2016. In this regard, IAASB has also released The New Auditor's Report: Questions and Answers. Topics covered include as to which entities are considered to be listed entities; whether the communication of key audit matters is required when the entity prepares both consolidated and separate financial statements of the parent or holding company; the appropriateness of referring to the International Standards on Auditing when the jurisdiction has not adopted the new or revised Auditor Reporting Standards or ISA 720 (Revised), The Auditor's Responsibilities Relating to Other Information; and circumstances when the auditor reissues the report or amends the report previously issued, and the effect on the key audit matters and other information.