

INTERNATIONAL DEVELOPMENTS - ASSURANCE OF THE INTEGRATED REPORT

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Panel to the IAASB's Emerging Forms of
External Reporting Task Force

Assurance

- What does it mean?
- Usage of the term assurance.
- Is there a need for assurance on integrated reports?

The IAASB and EER

- Who is the IAASB?
- What is EER? >>> Includes integrated reporting
- The IAASB's project on assurance on EER:
 - A Working Group of the IAASB issued a Discussion Paper in 2016, titled, *Supporting Credibility and Trust in Emerging Forms of External Reporting: Ten Key Challenges for Assurance Engagements*
 - A Task Force of the IAASB has commenced a project on providing guidance on the application of one of the existing standards that auditors use to an assurance engagement on EERs, expected to be issued in September 2020.

Case Study

STRATEGIC OBJECTIVE	SUCCESSSES	CHALLENGES
<p>1</p>  <p>Generating sustained financial returns by anticipating market trends</p>	<p>Working capital generation</p> <p>↑ R561m</p> <p>Cash on hand</p> <p>R1.2bn</p>	<p>Revenue</p> <p>↓ R6.8bn</p> <p>Forex loss</p> <p>↓ R61m</p>
<p>2</p>  <p>Driving transformation and localisation</p>	<p>Black ownership</p> <p>63%</p> <p>↓ LEVEL 2</p> <p>B-BBEE rating</p>	<p>Training spend on black employees</p> <p>↓ R20.3m</p>
<p>3</p>  <p>Optimising our operations</p>	<p>↑ R65m +</p> <p>in procurement savings</p>  <p>ERP roll-out</p>	<p>Skills development spend</p> <p>↓ R22.2m</p>
<p>4</p>  <p>Leading stewardship of marine resources</p>	<p>89%</p> <p>of our fishing rights SASSI green listed</p>  <p>International certification: Hake – MSC; Fishmeal – IFFO-RS</p>	 <p>SASSI red-listing of West Coast rock lobster</p>  <p>SASSI orange-listing of horse mackerel and pilchard</p>
<p>5</p>  <p>Building trusted relationships</p>	 <p>Active participant in industry associations</p>  <p>Food safety certification through ISO and NRCS</p>	 <p>Odour management in Hout Bay</p>

GROUP PERFORMANCE AGAINST STRATEGY

DIVISIONAL PERFORMANCE REVIEWS

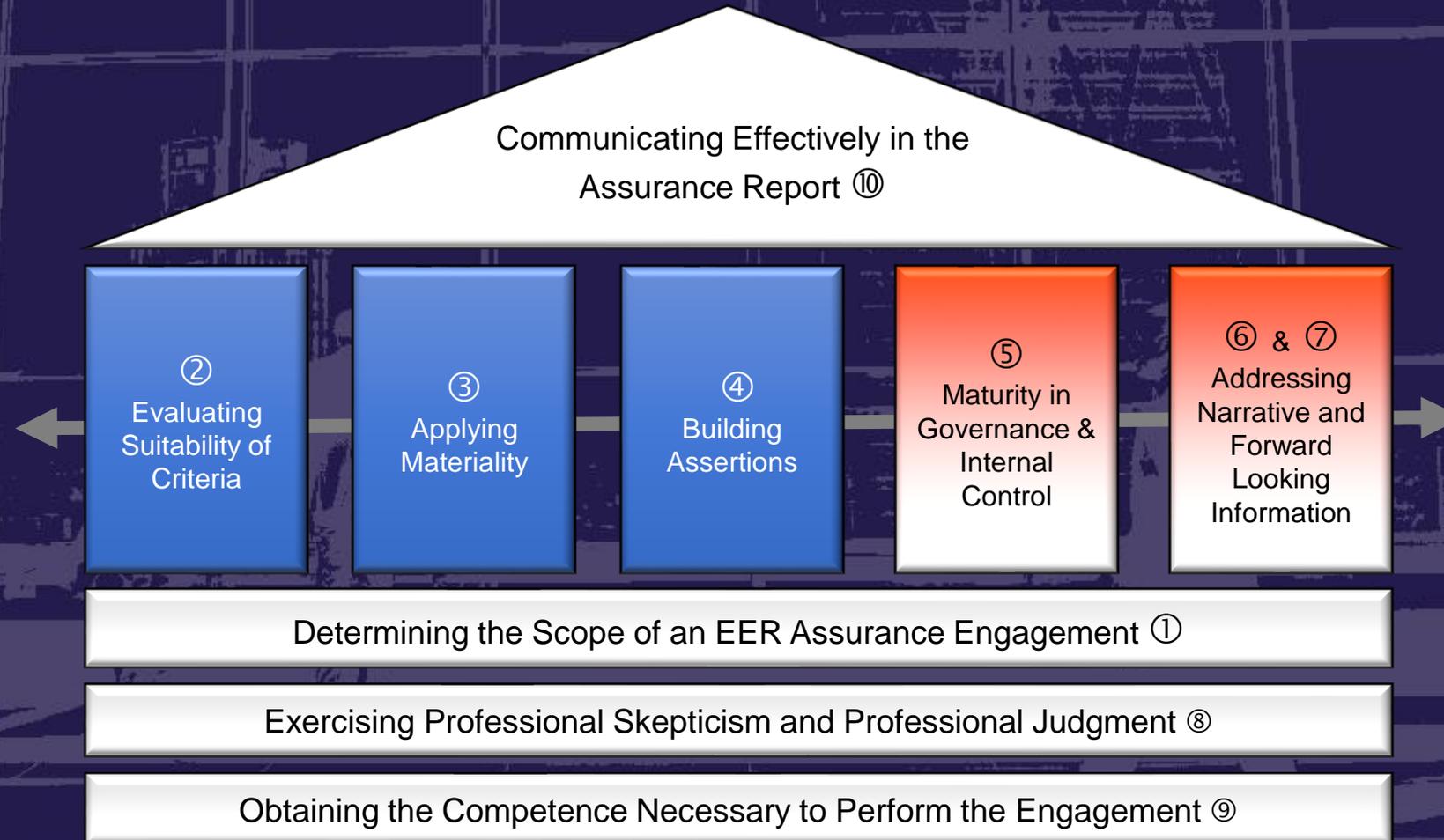
SUMMARISED CONDENSED GROUP FINANCIAL STATEMENTS

SHARE INFOR

The Ten Key Challenges

- Challenge 1: Determining the **Scope** of an EER Assurance Engagement Can Be Complex
- Challenge 2: Evaluating the Suitability of **Criteria** in a Consistent Manner
- Challenge 3: Addressing **Materiality** for Diverse Information with Little Guidance in EER Frameworks
- Challenge 4: Building **Assertions** for Subject Matter Information of a Diverse Nature
- Challenge 5: Lack of Maturity in Governance and Internal Control over **EER Reporting Processes**
- Challenge 6: Obtaining Assurance with Respect to **Narrative Information**
- Challenge 7: Obtaining Assurance with Respect to **Future-Oriented Information**
- Challenge 8: Exercising **Professional Skepticism and Professional Judgment**
- Challenge 9: Obtaining the **Competence** Necessary to Perform the Engagement
- Challenge 10: Communicating Effectively in the **Assurance Report**

Current IAASB project



In conclusion

- Our website

- <https://www.irba.co.za/guidance-to-ras/technical-guidance-for-auditors/other-assurance-including-b-bbee/integrated-reporting-assurance-and-sustainability-reporting-assurance>

- IAASB website

- <https://www.iaasb.org/projects/emerging-forms-external-reporting-eer-assurance>

- Invitation to an Outreach

- The IAASB is hosting an event with the IRBA in Johannesburg on 23 October 2018 as part of a global series of discussions being held in seven locations around the world.