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**Intergovernmental Working Group of Experts on  
International  
Standards of Accounting and Reporting  
(ISAR)**

**29<sup>th</sup> SESSION**

31 October – 2 November 2012  
Room XIX, Palais des Nations, Geneva

Thursday, 1 November 2012  
Afternoon Session

**Regulatory and institutional foundations for high-  
quality corporate reporting**

Presented by

Kurt Ramin  
Special Advisor, AccountAbility

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15:00-17:00	<b>Agenda item 3 - <i>Regulatory and institutional foundations for high-quality corporate reporting</i></b> (continued ...)
	<p>This panel will address issues of regulatory and institutional foundations for high-quality corporate reporting from the perspective of academia, professional bodies and other stakeholders who participated in a peer review process of the ADT pilot tests. Speakers will share their views on main priorities that need to be considered in creating such foundation at a national level, including based on their analysis of the outcomes of the tests.</p>
<b>Speakers:</b>	
	<i>Guillermo Braunbeck</i> , Academic Fellow, IFRS Foundation , London, United Kingdom
	<i>Paul Hurks</i> , Director, International Accountancy Education and Development, Royal Netherlands Institute for Registered Accountants
	<i>Belverd Needles</i> , Professor, DePaul University, United States of America
	<i>Mike Walsh</i> , Special Projects Consultant, Association of Chartered and Certified Accountants
	<i>Gert Karreman</i> , Professor, Leiden University, The Netherlands
	<i>Kurt Ramin</i> , Director and Global Head of Standards, AccountAbility
	<i>Plenary Discussion</i>

- **Section on Facts** for Relevance and Comparison (ROSC, IFAC, etc)
- **User Friendliness** (Hyperlinks to References, Definitions, Score)
- **Best Practice Examples** (Competition, audit opinions)
- **Market for Accountants** (Big 4, other, certifications, salaries)
- **IT** (software packages, cloud, internet access)

## **Challenges** for national regulators?

- SMEs, IPSAS, Tax, Natural Capital
- full implementation of IFRS (and XBRL)
- comparability, timeliness, relevance

## **Support** from international standard-setters and other bodies?

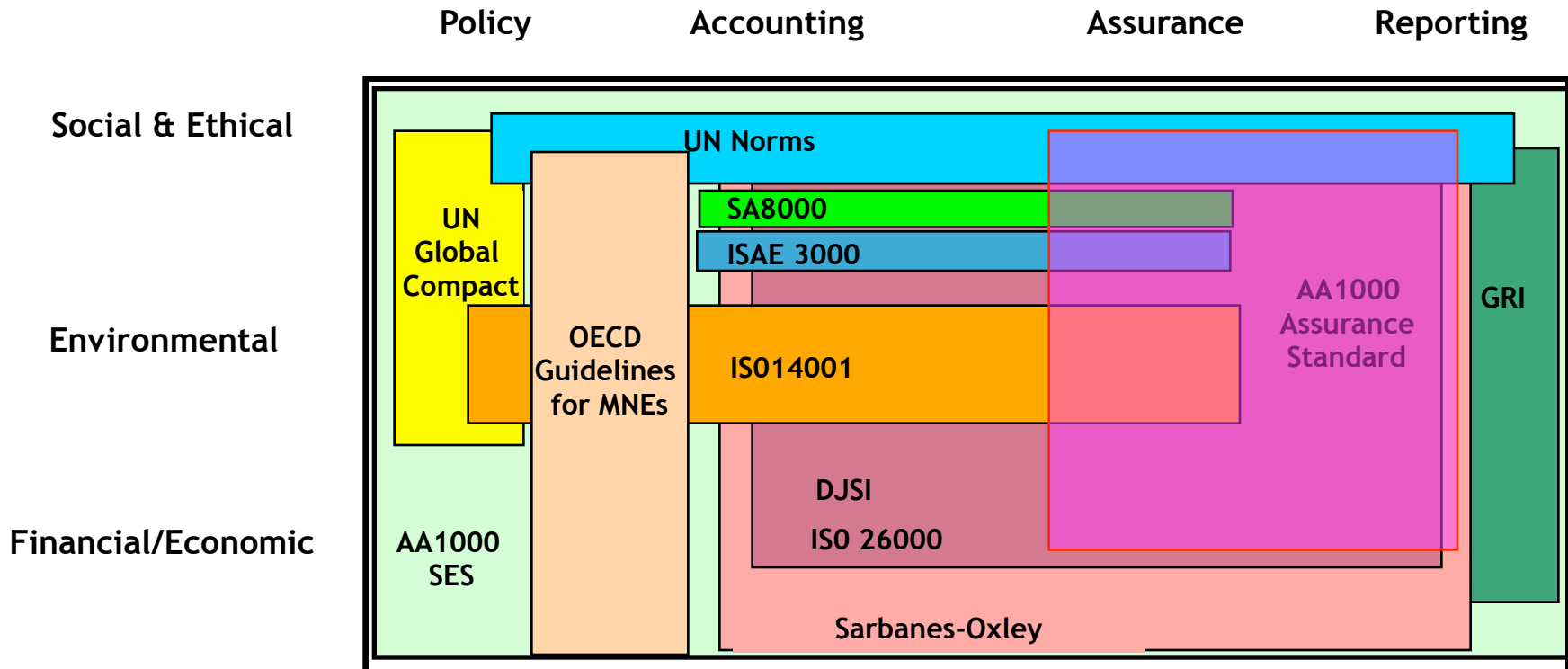
- Education (Certification, IT)
- Translations (free access)

## **Mechanisms** to facilitate coordination at the national, regional and international levels?

- Legal Framework (governance and corporate)
- Best practice examples by industry
- Participate in discussions on Non-Financial Reporting

# Making Sense of the Wider Standards

## Tools that Drive Performance



**Acknowledgement:** This piece draws on work carried out by AccountAbility as part of the WBCSD ‘Accountability and Reporting’ Initiative.

# The State of Sustainability Assurance

clear practical action

research

certification and standards

sustainable supply chains

staff engagement and training

sustainable business operations

mandatory greenhouse gas reporting



## Independent Advisory Panel:

- Freddie Woolfe  
Governance and SRI engagement manager  
Hermes Equity Ownership Services
- Joaquim de Lima  
Global Head of Equity Quantitative Research  
HSBC Bank Plc
- Abigail Herron  
Corporate Governance Manager  
Co-operative Asset Management
- Kurt Ramin  
Global Head of Standards  
AccountAbility

## On the right track?

The state of sustainability assurance  
and the value it provides in 2011

## Introduction

## Current Reports

## Documentation

## Using the Standard

1. intended users of the assurance statement
2. the responsibility of the reporter & of the assurer
3. assurance standard(s) used
4. description of the scope & type
5. description of disclosures covered
6. description of methodology
7. any limitations
8. reference to criteria used
9. statement of level of assurance
10. findings & conclusions on 3 principles
11. conclusions on performance info (Type 2 only)
12. observations &/or recommendations
13. notes on competencies & independence
14. name of the assurance provider
15. date & place

 [Download 'Using the Standard' as Pdf \(221 KB\)](#)

## Using the Standard

### General Points:

- ◊ All 15 criteria must be included in the state
- ◊ Compliance with the standard is judged on
  - Information provided in the assurance st
  - Assertions on adherence to the three prireferenced in the assurance statement (for a
- Assurance information which is not in the management from the assurers, or an unpu
- an assurance statement is compliant with th
- ◊ Formats can vary and the order of inclusion
- ◊ Multiple requirements can be covered in or appropriate.
- ◊ The conclusions on the three principles and AS (2008) and should be treated with a compr
- ◊ Some requirements need to be covered w a clear idea of the assurance process. These include:
  - responsibilities
  - methodology
  - limitations
  - competencies
  - independence
  - observations and recommendations
  - disclosures covered
  - criteria.
- ◊ Some requirements do not need to be covered:
  - intended users
  - name of assurance provider
  - date and place
  - type and level of assurance
  - assurance standards used.

WILEY CORPORATE F&amp;A

# IFRS AND XBRL

How to improve Business Reporting  
through Technology and Object Tracking

KURT RAMIN AND CORNELIS REIMAN

To be  
Published in  
2012 by  
Wiley

[http://as.wiley.com/  
WileyCDA/WileyTitle/  
productCd-1118369734.html](http://as.wiley.com/WileyCDA/WileyTitle/productCd-1118369734.html)

Focus will be on standards for **Valuation** of Objects within supply chains and on reporting boundaries with specific time frames.



Thank you!

[kurtramin@yahoo.de](mailto:kurtramin@yahoo.de)

**TO THE SHAREHOLDERS  
MA SAN GROUP CORPORATION**

**Scope**

We have audited the accompanying financial statements of Ma San Group Corporation ("the Company") and its subsidiaries (collectively "the Group") which comprise the separate and consolidated balance sheets as of 31 December 2011 and the related separate and consolidated statements of income, changes in equity and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's management on 30 March 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**Audit opinion**

In our opinion, the separate and consolidated financial statements give a true and fair view of the financial positions of the Company and the Group, respectively, as of 31 December 2011 and the results of their operations and their cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements.

**KPMG Limited**

Vietnam

Investment Certificate No: 011043000345

Audit Report No: 11-01-753



Chang Hung Chun  
CPA No. 0863/KTV  
Deputy General Director

Ho Chi Minh City, 30 March 2012



Tran Dinh Vinh  
CPA No. 0339/KTV

**To the Management Board and the Shareholders of Agrokor d.d.**

We have audited the consolidated financial statements of Agrokor d.d. (the Company) and its subsidiaries (together, the Group), which comprise the consolidated statement of financial position as at 31<sup>st</sup> December 2011 and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the consolidated financial statements, whether due to the fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

**Opinion**

In our opinion, the consolidated financial statements present fairly in all material respects, the financial position of the Group as at 31<sup>st</sup> December 2011 and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Emphasis of matter**

Without qualifying our opinion we draw attention to Note 27 to the consolidated financial statements which describes uncertainty related to the decision adopted by the Croatian Financial Services Supervisory Agency (CFSSA) on 6<sup>th</sup> October 2011 related to the obligation of Agrokor d.d. to launch a mandatory takeover bid for all of the shares of the Belje d.d. and related court proceedings. The Group has not recognised any adjustments to its assets or liabilities in respect to this matter due to uncertainty of its outcome and its impact on the consolidated financial statements.

Baker Tilly Discordia d.o.o.

Nevenka Dujic  
Certified auditor

Bruna Discordia  
Member of the Board


  
**BAKER TILLY  
DISCORDIA**  
Revizorska tvrtka d.o.o.  
Ulica grada Vukovara 11  
10000 Zagreb

Zagreb, 11<sup>th</sup> April 2012



## Largest Banks by Asset Size

Source: Global Finance Magazine 2010

**Deutsche Bank** 2009: 2.2 Trillion \$ 

Rank	Bank	Country	Total Assets (\$B)	Date
1	BNP Paribus	France	2,964	12/31/09
2	Royal Bank of Scotland	United Kingdom	2,747	12/31/09
3	HSBC Holdings	United Kingdom	2,364	12/31/09
4	Credit Agricole	France	2,243	12/31/09
5	Barclays	United Kingdom	2,233	12/31/09
6	Bank of America	United States	2,233	12/31/09
7	Mitsubishi UFJ Financial	Japan	2,196	3/31/10
8	<b>Deutsche Bank</b>	Germany	2,162	12/31/09
9	JP Morgan Chase	United States	2,032	12/31/09
10	Citigroup	United States	1,857	12/31/09



**Total assets of Deutsche Bank dropped by nearly a Trillion US Dollars from 2008 to 2009. (\$3.1 Trillion to \$2.2 Trillion). Due to offsetting/netting? Cancellation of Contracts? There is no reasonable explanation of this change in their Annual Report.**



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◀ Assurance

**E&Y assurance statement**

E&Y assurance specific recommendations

## E&Y assurance statement

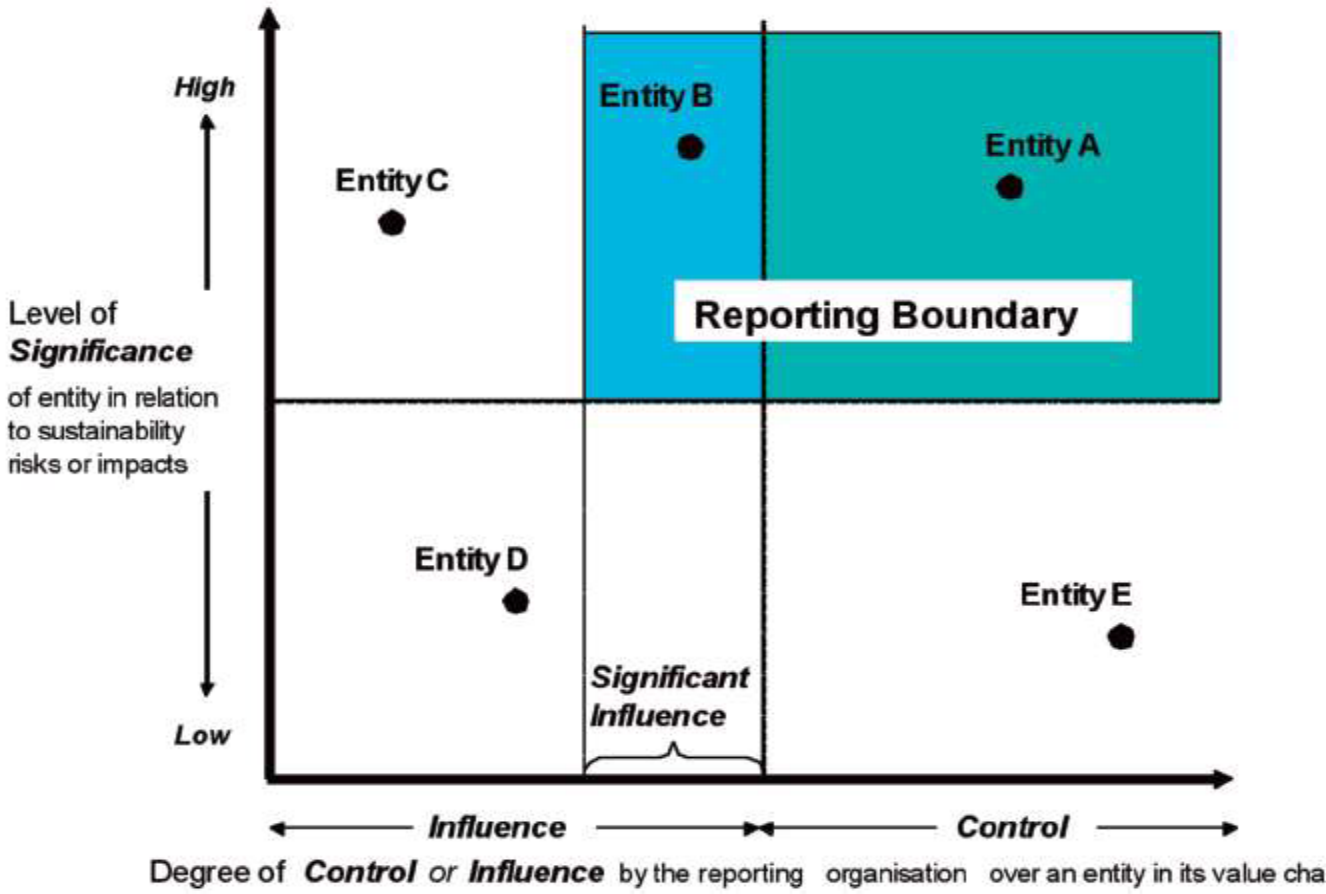
BP's sustainability web content 2011 (the Report) has been prepared by the management of BP p.l.c., who are responsible for the collection and presentation of information within it. Our responsibility, in accordance with BP management's instructions, is to carry out a limited assurance engagement on the Report and to include specific observations from our work in relevant sections of the Report. We do not accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

### What we did to form our conclusions

Our assurance engagement has been planned and performed in accordance



# Boundaries chart from TEEB /GRI



Source: *TEEB For Business Report*, 2010, Chapter 3, 'Measuring and reporting biodiversity and ecosystem impacts and dependence', Table 3.1 page 7, see *The Economics of Ecosystems and Biodiversity*, [www.teebweb.org](http://www.teebweb.org)

Note: Kurt Ramin, co-author of this book, participated in the preparation of the *TEEB For Business Report*.