

---

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

**31st SESSION**  
15 - 17 October 2014  
Room XVIII, Palais des Nations, Geneva

Friday, 17 October 2014  
Afternoon Session

**Updates by other international and regional organizations**

Presented by

Paul Thompson  
Director, Global Accountancy Profession Support  
International Federation of Accountants (IFAC)

*This material has been reproduced in the language and form as it was provided.  
The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.*

---



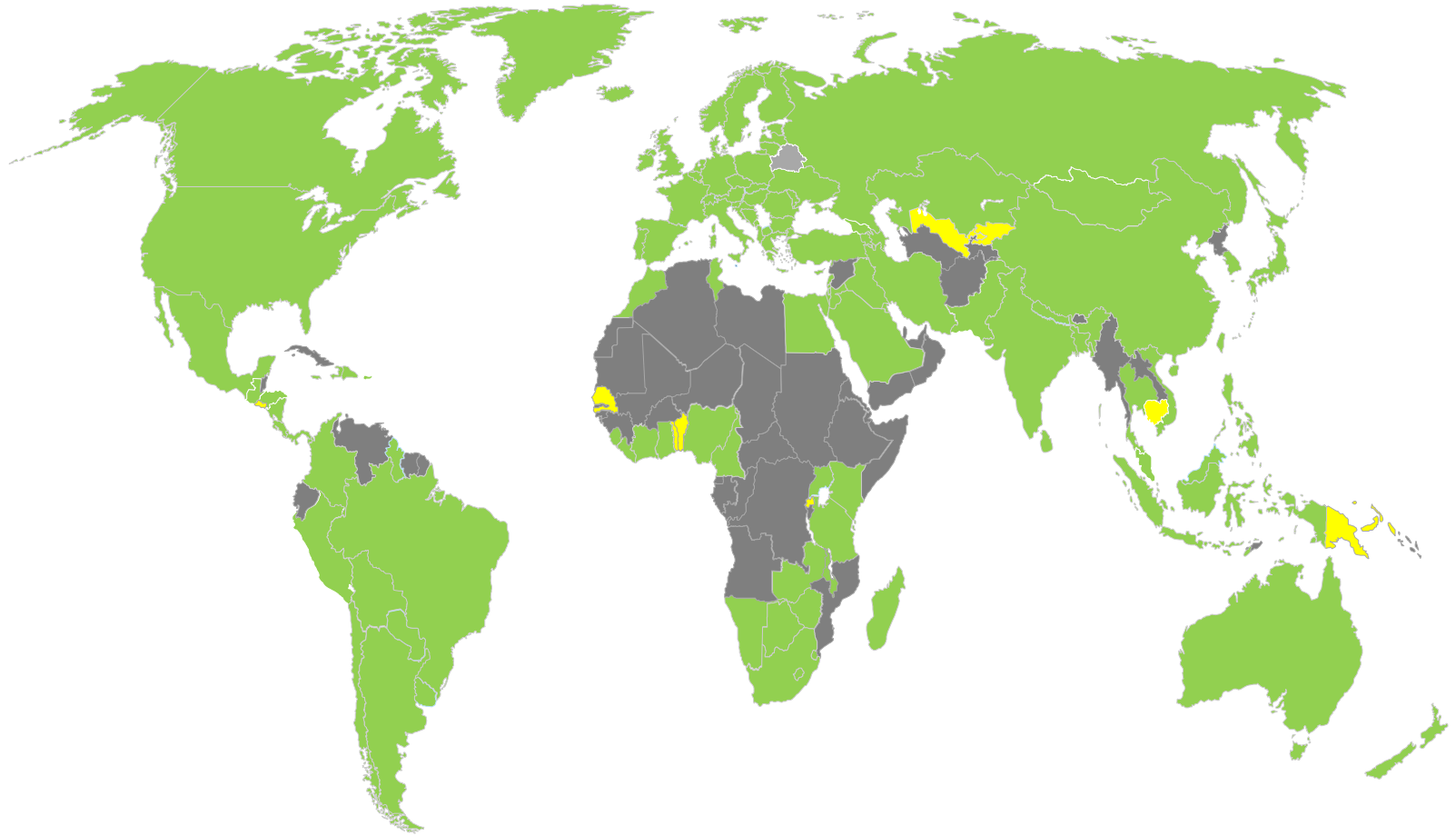
International  
Federation  
of Accountants®

## IFAC Update

Paul Thompson  
Director, Global Accountancy Profession Support  
October 17, 2014  
UNCTAD-ISAR 31<sup>st</sup> Session  
Geneva

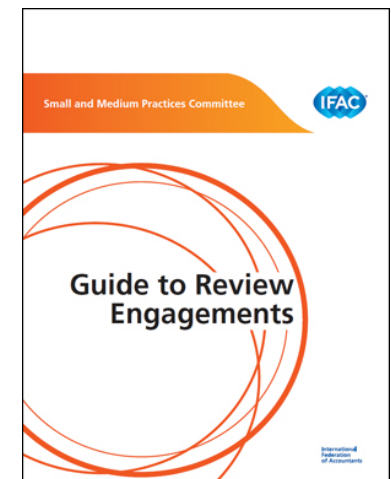
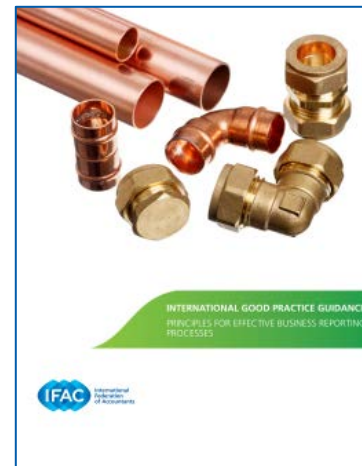
# IFAC Overview

*Strengthening Organizations, Advancing Economies*



# Global Accountancy Profession Support (GAP-S)

- To promote **awareness** of how professional accountants facilitate sustainable success and, with member organizations, enhance the **competence** of professional accountants through sharing and developing knowledge, ideas, and resources.



# Global Knowledge Gateway - About

- Launched in February 2014
- Information hub and platform for discussion for global accountancy profession
- For PAIBs, SMPs, financial industries, and much more
- [www.ifac.org/Gateway](http://www.ifac.org/Gateway)

**IFAC** International Federation of Accountants  
Strengthening Organizations, Advancing Economies

ABOUT IFAC | IFAC GLOBAL KNOWLEDGE GATEWAY | INDEPENDENT STANDARD-SETTING BOARDS

Home » IFAC Global Knowledge Gateway

Your Portal to Global Accountancy Knowledge, Resources, and News

Search the Global Knowledge Gateway

### Interconnected Global Risks: No Man, or Business, Is an Island

by Horvyn King, Chairman, International Integrated Reporting Council | April 18, 2014

The challenge of designing an economic model capable of identifying, and then responding to, systemic and interconnected risks is something the G-20 has been grappling with since the onset of the global financial crisis in 2008. It is also an urgent matter for businesses, which make up around half of the world's largest economic entities. The concept of "connectivity" of information in a business context sets to bring together the different parts of a business in recognition of the interconnections between them. It forces a new kind of behavior—what we call "integrated thinking"—and is a central principle of integrated reporting, a new separate reporting model being drafted in approximately 22 countries and embraced by companies as diverse as Hyundai, PepsiCo, National Australia Bank, and Unilever.

[Read More](#)

**Business Reporting**  
Improving the usefulness of reported information for internal and external stakeholders  
[Discussions](#) [Resources](#) [News](#)

**Ethics**  
Reforming ethical practices and encourage an ethical workplace  
[Discussions](#) [Resources](#) [News](#)

**Finance Leadership & Development**  
Responding to changing expectations of society and organizations, and preparing for leadership roles  
[Discussions](#) [Resources](#) [News](#)

**Governance**  
Improving the systems and structures by which entities make decisions, ensure them, and monitor the results  
[Discussions](#) [Resources](#) [News](#)

**Performance & Financial Management**  
Improving organizational performance through better support for strategic and operational decision making  
[Discussions](#) [Resources](#) [News](#)

**Risk Management & Internal Control**  
Addressing uncertainty in acting and pursuing the organization's objectives  
[Discussions](#) [Resources](#) [News](#)

**Sustainability**  
Integrating sustainability into management, reporting, and assurance practices  
[Discussions](#) [Resources](#) [News](#)

**Audit & Assurance**  
Facilitating the adoption, implementation and development of international standards  
[Discussions](#) [Resources](#) [News](#)

**Practice Management**  
Supporting practitioners in managing and growing their practices  
[Discussions](#) [Resources](#) [News](#)

#### Recent Viewpoints

**CIMA's Global Management Accounting Principles: Seeking Your Input**  
by Charles Tiley, Chief Executive, CIMA | March 27, 2014

The Chartered Institute of Management Accountants (CIMA) has launched a consultation on a set of Global Management Accounting Principles and we would very much like your help. Unlike financial reporting, which has standards to guide its practice, there has been little authoritative guidance to help CIMA assess and improve the quality of the management accounting practices and processes used in their organizations.

**D&B Vu All Over Again**  
by James S. Turley, former Global Chairman and CEO, D&B | March 10, 2014

After the global financial crisis, the leaders of the G-20 countries called for global regulatory cooperation and collaboration, including the adoption of global accounting standards.

**Introducing the IFAC Global Knowledge Gateway**  
by Pavee Chanthavy, IFAC CEO | February 12, 2014

Welcome to the Global Knowledge Gateway, IFAC's newly minted global hub for accountancy news, views, resources, and thought leadership from IFAC, our member organizations, and other notable groups and individuals.

[Read All Viewpoints](#)

#### Latest Accountancy News

**Asian Development Bank Lent \$3bn to Public Sector Last Year**  
April 22, 2014 • Public Finance International

**Management Accountants Get an Edge at Penn State**  
April 22, 2014 • Accounting Web

**US FASE Pushes Revenue Recognition Release to Late May**  
April 21, 2014 • Compliance Week

**Survey: Accounting Jobs Can Take as Long as a Month to Fill**  
April 21, 2014 • Accounting Web

**IAASB Re-Propose Standard Addressing Information in Annual Reports; Further Clarifies Auditor Effort and Reporting Responsibilities**  
April 18, 2014 • International Auditing and Assurance Standards Board (IAASB)

**Keep Updated**  
Get the latest updates delivered straight to your inbox. [Subscribe](#)

# Global Knowledge Gateway – Topic Areas

- Audit & assurance
- Business reporting
- Ethics
- Financial leadership & development
- Governance
- *Islamic Finance (Q4)*
- Performance and financial management
- Practice management
- Risk management & internal control
- Sustainability

# Improving Quality and Capacity



## Global Accountancy Profession Development

- Capacity Building Programs
- Accountability Now!
- MOSAIC
- PAO Development Committee

## Compliance Program

# Good Governance in the Public Sector: An International Framework - About

- Joint publication with CIPFA, UK
- Foreword by Mervyn King, Chair, IIRC, and King Report
- Principles-based to maximize relevance, applicability
- Sub-principles and supporting guidance to provide explanation
- Supplement
  - Examples - provide practical experience and aid understanding
  - Evaluation questions to consider
  - Further reading



# Good Governance in the Public Sector: An International Framework - Uses

- Establish a benchmark for good governance
- Reference point for those developing or reviewing national codes
- Help public sector organizations continually improve governance systems
- Where no code/guidance exists, provides
  - Shared understanding of what constitutes good governance
  - Powerful stimulus for positive action
- **Please contact [VincentTophoff@ifac.org](mailto:VincentTophoff@ifac.org)**

# IESBA: Structure of the Code

- Enhancing Code's usability to facilitate adoption and implementation
- Proposing options to facilitate compliance/enforcement
  - Distinguishing requirements from guidance
  - Requirements include complying with conceptual framework and firm having policies and procedures enabling identification of responsibility
- Increasing clarity of language
- Revising structure and packaging of Code
- Consultation Paper just approved – **please respond**

# IESBA: NOCLAR and Other Projects

- Non-Compliance with Laws and Regulations (NOCLAR)
  - To guide professional accountants (PAs) in deciding how best to serve public interest when come across suspected NOCLAR
  - What is reasonable to ask of PAs within their role in the public interest?
  - Tentative direction forward agreed – Dec. 2013
  - Roundtables in Asia, Europe and North America - May-July 2014
- Other projects
  - Non-assurance services, long association and Part C

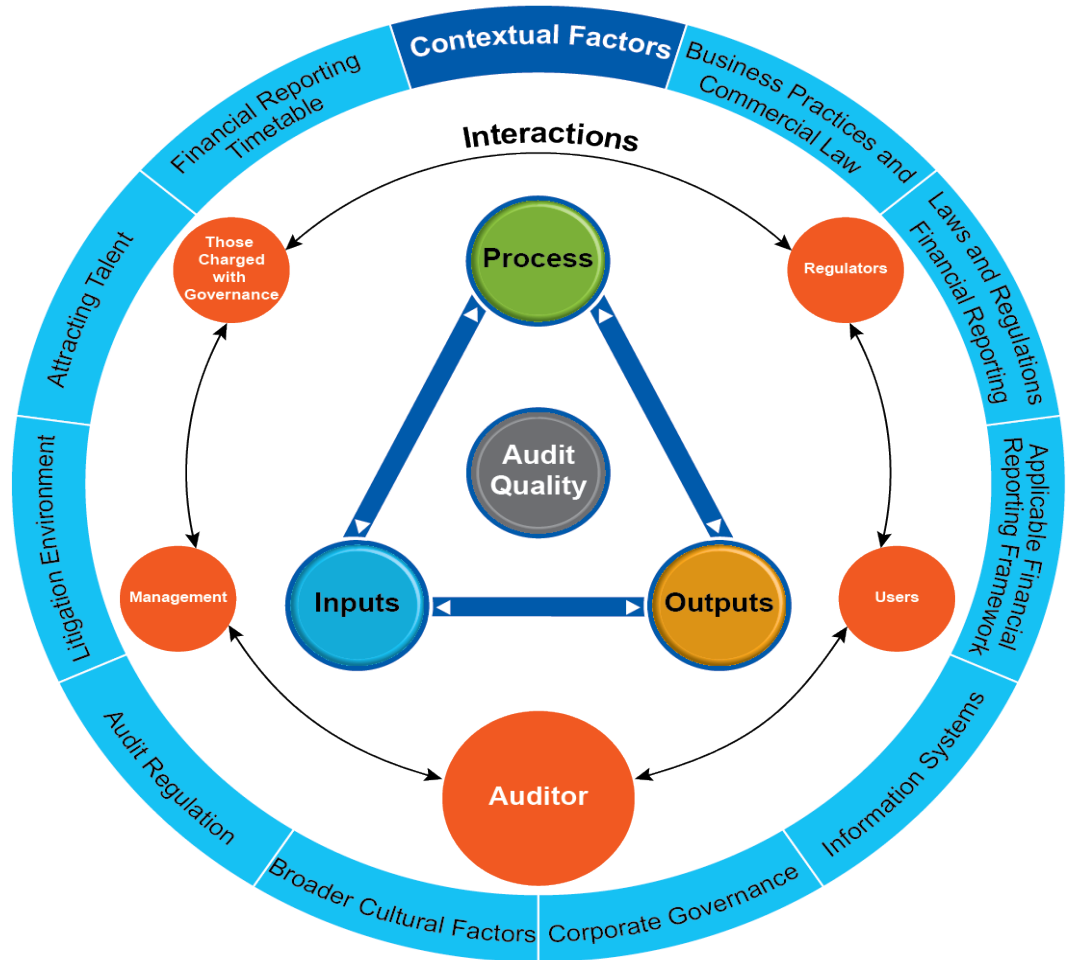
# IAASB: Overview Enhancements Auditor Reporting

- Opinion and Basis for Opinion sections first unless...
- Reporting on key audit matters (KAM) for audits of financial statements of listed entities, permitted for other audits
- Emphasis on Going Concern
- Require explicit statement about independence in all audit reports
- Engagement partner's name required for listed entities, improved description of auditor responsibilities and key features of audit

# IAASB: Framework for Audit Quality

## Key Elements

- Inputs
- Process
- Outputs
- Interactions
- Contextual Factors



# IAASB: Q4 and Beyond

- Finalizing current projects
  - Disclosures
  - ISA 720 Other Information
  - Auditor Reporting – Implementation support / ISA 800 series
- New Projects from IAASB's Strategy and Work Plan
  - ISA 600 (Group audits), quality control, special audit considerations relevant to financial institutions, agreed-upon procedures, professional skepticism, and implementation monitoring re. ISA 315

# World Congress of Accountants 2014

## #WCOA2014



- Official program now online
- Special audience with Pope Francis at the Vatican



# WORLD CONGRESS OF ACCOUNTANTS 2014

WWW.WCOA2014ROME.COM

See you in Rome in November 2014

[www.wcoa2014rome.com](http://www.wcoa2014rome.com)

[www.ifac.org](http://www.ifac.org)

---