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# **UNCTAD-ISAR Workshop on the Future Direction of the Corporate Reporting Model**

Monday, 13th October 2014  
Room XXVI, Palais des Nations, Geneva

Workshop material:

***Issues, good practices and main challenges of preparing  
reports on sustainable development issues***

Presented by

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# Global Accountancy Profession Role in Sustainability Reporting

Paul Thompson  
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October 13, 2014  
UNCTAD-ISAR Workshop – Future Directions of  
Corporate Reporting Models  
Geneva

# Agenda

- Implementation Challenges
- Role of the Profession
- IFAC's Role
- SME / SMP

# Implementation Challenges

- Articulate and evidence business case
- Access to guidance, tools, training and expert advice
- Adopters - lead (high risk) or lag (low risk)
- Application - proportionate and voluntary (for SMEs)
- Defining materiality
- Ensuring consistency and comparability

# Role of the Profession

- Take a lead in debating, influencing and facilitating enhanced organizational reporting
- Awareness raising and implementation support
- Education and training
- Preparation
- Assurance

# IFAC's Role – Objectives and Activities I

- To represent and advocate on public interest issues of importance to profession
  - Activities include speaking out on key issues in the global economy, including enhanced organizational reporting
  - Relationships with key stakeholders, providing input to them and encouraging harmonization of approaches

# IFAC's Role – Objectives and Activities II

- To promote awareness of how professional accountants facilitate sustainable success and enhance competence of professional accountants through sharing and developing knowledge, ideas, and resources
  - MOU with IIRC re. assisting awareness raising and implementation
  - Sustainability Framework
  - IFAC Global Knowledge Gateway

# IFAC Activities - Global Knowledge Gateway I

- Launched in February 2014
- Information hub and platform for discussion for global accountancy profession
- For PAIBs and SMPs, financial industries, academics / students and much more
- Sustainability one of 9 topic areas
- [www.ifac.org/Gateway](http://www.ifac.org/Gateway)

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

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

by Harvey King, Chairman, International Integrated Reporting Council | April 30, 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 aims 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 reporting model being trialed in approximately 25 countries and embraced by companies as diverse as Hyundai, PwC, National Australia Bank, and Unilever.

Read More

Business Reporting  
Improving the usefulness of reported information for internal and external stakeholders  
Discussions - Resources - News

Finance Leadership & Development  
Responding to changing expectations of asset and organizations, and preparing for leadership roles  
Discussions - Resources - News

Performance & Financial Management  
Improving organisational performance through better support for strategic and operational decision making  
Discussions - Resources - News

Sustainability  
Integrating sustainability into management, reporting, and assurance practices  
Discussions - Resources - News

Practice Management  
Supporting practitioners in managing and growing their practices  
Discussions - Resources - News

Ethics  
Reinforcing ethical practices and encouraging an ethical workplace  
Discussions - Resources - News

Governance  
Improving the systems and structure by which entities make decisions, execute them, and monitor the results  
Discussions - Resources - News

Risk Management & Internal Control  
Addressing uncertainty in setting and pursuing the organisation's objectives  
Discussions - Resources - News

Audit & Assurance  
Facilitating the adoption, implementation and development of international standards  
Discussions - Resources - News

### Recent Viewpoints

**CIMA's Global Management Accounting Principles: Seeking Your Input**  
by Charles Tittle, 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 CFOs assess and improve the quality of the management accounting practices and processes used in their organisations.

**D&J Vu All Over Again**  
by James S. Turley, former Global Chairman and CEO, CFC | 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 Peter Chouhury, 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 organisations, and other notable groups and individuals.

Read All Viewpoints

### Latest Accountancy News

Axian Development Bank Lent \$3bn to Public Sector Last Year  
April 23, 2014 - Public Finance International

Management Accountants Get an Edge at Penn State  
April 23, 2014 - Accounting Web

US PASB Publishes Revenue Recognition Release to Late May  
April 21, 2014 - Compliance Week

Survey: Accounting Jobs Can Take as Long as 6 Months to Fill  
April 21, 2014 - Accounting Web

IAASB Re-Proposes Standard Addressing Information in Annual Reports; Further Clarifies Auditor Effort and Reporting Responsibilities  
April 16, 2014 - International Auditing and Assurance Standards Board (IAASB)

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# SME / SMP – Global Insights

- Global insights from IFAC SMP Quick Poll
  - 46% - offer sustainability services and 27% plan to
    - 76% offer advisory services, 50% reporting and 42% assurance
  - 29% - SME clients have sought IR help
  - 47% - SME integrated reports have value
  - 46% - SMEs likely/very likely to seek IR assistance from their accounting firm in the next 5 years

# SME / SMP - Guidance

- ACCA
  - *Carbon accounts for small business - interim guidance*
- European Integration Committee Latin America (CILEA)
  - *Proposed Model of Social and Environmental Balance for SMEs*



# WORLD CONGRESS OF ACCOUNTANTS 2014

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See you in Rome in November 2014

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

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