



IAASB  
International Auditing and Assurance  
Standard Board

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United Kingdom

## **Public Consultation on Proposed Guidance: Extended External Reporting (EER) Assurance (March 2020)**

FAR, the institute for the Accountancy Profession in Sweden, is responding to the IAASB's invitation to comment on the Public Consultation on Proposed Guidance March 2020. Overall, we support the guidance proposed. Please find our comments below.

### **General comments**

FAR's experience is that an extensive guidance is quite difficult to navigate. FAR believes that it will be difficult for a non-audit professional outside the Sustainability sphere to fully understand the document and for an initiated Sustainability auditor there is limited new information.

FAR believes that if the audience is the Audit profession any information already stated in ISAE 3000 could be removed unless there is a need for clarification. As it is now there are quite a number of areas of repetition from ISAE 3000 e.g. under assurance report content. FAR's recommendation is to evaluate a shortening of the document.

### **Chapter 1**

Paragraph 31 d): The level of assurance to be obtained should not have an effect on the level of experts used it is rather a question of dept of assurance procedures.

Paragraph 32: FAR read paragraph 32 as having a skills matrix is not a requirement. As it is written now, we believe that the wording could be made even clearer that it is not a requirement for the practitioner.

### **Chapter 2**

No comments.



### **Chapter 3**

No comments.

### **Chapter 4**

Paragraph 149-151: Completeness is one of the more complex areas, and is very briefly explained, it should be considered to expand this section and give examples.

### **Chapter 5**

No comments.

### **Chapter 6**

If applicable, it is not clear if the Assurer should review the materiality assessment made by the company, and if that is the case it is not clear if there is a difference between reasonable and limited.

Paragraph 252: FAR see an increased issue with reports increasing in content and in many instances, there are information that risk obscuring the material information. FAR believe that the challenge with balance and the responsibility of the assurer could be expanded to better guide the Assurer of what is expected.

### **Chapter 7**

The language in Chapter 7 is different than the rest of the document and is very Audit driven. E.g. in paragraph 258 there is reference to Auditor and not practitioner as in the rest of the document.

Paragraph 268: FAR believe that it would be beneficial if there are examples for each assertion, e.g. currently no example is given for Rights and obligations.

### **Chapter 8**

It is unclear if the guidance under chapter 8 is to be used for future oriented information, clearer reference to chapter 12 would be beneficial.

### **Chapter 9**

Paragraph 322 a): it is unclear if the reference to materiality are from the practitioner or the company's standpoint.

Paragraph 323 refers to guidance to performance materiality in chapter 8. However according to chapter 8 paragraph 295 performance materiality is not addressed in the standard.

### **Chapter 10**

Paragraph 375: is there a specific reason that there is a specific percentage in the example "5% of ABC PLC's reported scope 1". From FARs experience examples many times become principles. Unless it is the guidance intention to require a specific percentage, we would suggest changing "5%" into "X%".

## Chapter 11

FAR is missing information regarding the usage of management representation, further guidance could be beneficial.

Paragraph 390: The suggestion that if a preparer is unwilling to change a specific description, it would be sufficient just to mark it as other information which from FARs experience would be unconventional. Is this the intention of the guidance? It could be beneficial to further describe to avoid misunderstanding.

Paragraph 393 and 395: FAR believe that the guidance here is very detailed and could be described on a higher level.

Paragraph 410: there would be beneficial to elaborate on what level is needed for the consistency check. Especially if there are different auditors for EER information and financial information.

## Chapter 12

No comments.

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