

1. Introduction

This summary provides information on the main financial reporting enforcement activities undertaken by IAASA during 2015.

The primary function of IAASA's Financial Reporting Supervision Unit is to examine the compliance of certain entities' periodic financial reporting with applicable accounting standards (in the main International Financial Reporting Standards (IFRS) and Irish Generally Accepted Accounting Practice (GAAP)) and relevant legislation.

Information regarding IAASA's functions can be accessed on **IAASA's website**.

2. Issuer constituency

At 31 December 2015, IAASA's known financial reporting examination constituency comprised 130 (2014: 131) issuers made up of:

- 27 (2014: 27) equity issuers;
- 24 (2014: 26) closed ended fund issuers; and
- 79 (2014: 78) debt issuers.

These numbers exclude issuers registered in Ireland and listed on an EU regulated market outside Ireland where the Central Bank of Ireland has not been notified by the issuer that Ireland is that issuer's home Member State. The European Securities Markets Authority (ESMA) is currently working to resolve this issue.

3. Publication of financial reporting decisions

During 2015, the law was changed which afforded IAASA a wider discretion in terms of publication of its financial reporting decisions than previously had been the case. IAASA published its final **Policy Paper on Publication of Financial Reporting Enforcement Findings** in July 2015 after issuing a draft policy paper for comment.

IAASA published financial reporting decisions relating to 11 issuers where the decision was reached in 2015.

These financial reporting decisions are available at <http://www.iaasa.ie/Publications/FRSU>

4. Examinations undertaken in 2015

In 2015 IAASA undertook examinations of:

- 28 (2014: 23) annual financial reports – 21 equity, 5 fund, 2 debt; and
- 5 (2014: 4) half-yearly financial reports – 2 equity, 2 fund, 1 debt.

These 33 (2014: 27) examinations comprised:

- 15 (2014: 5) unlimited scope examinations;
- 13 (2014: 10) focused examinations; and
- 5 (2014: 12) follow-up examinations.

In addition, IAASA undertook a thematic examination on directors' significant judgments and auditors' risks of material misstatement covering 20 equity issuers, the outcome of which was published (see section 6).

A topical survey of 5 equity issuers on the application of the "Consolidation Suite" of IFRSs (IFRS 10, IFRS 11 and IFRS 12) was undertaken in 2015.

IAASA held face-to-face meetings and/or conference calls with 10 (2014: 10) issuers during the year.

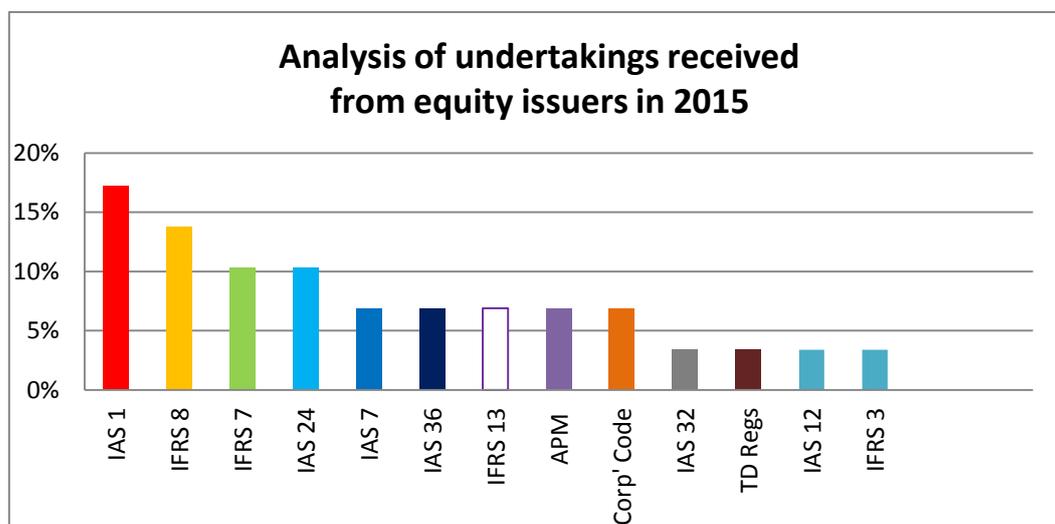
5. Outcomes of 2015 examinations

A total of 162 (2014: 63) matters were raised with issuers' directors during 2015.

The average number of matters raised with issuers in respect of unlimited scope examinations undertaken was 7 (2014: 7).

A total of 17 (2014: 11) issuers provided 78 (2014: 35) undertakings in respect of future periodic financial reports. The number of undertakings provided reflects the greater number of examinations undertaken in 2015 and a disproportionately high number of undertakings received from a small number of specific issuers.

The undertakings received from equity issuers (all of which apply IFRS as adopted by the EU) are analysed in the following graph:



In addition to the IFRS undertakings noted above a further undertaking (2014: 8) was received from an issuer (2014: 3) applying Irish GAAP. This undertaking related to FRS 102 *The Financial Reporting Standard Applicable in the UK and Republic of Ireland*.

6. Other publications

IAASA issued three other publications during 2015 which may be accessed through the following links:

- ***Alternative Performance Measures – A Survey of their Use together with Key Recommendations: An Update*** (January 2015);
- ***Observations on selected financial reporting issues for issuers' financial years ending on or after 31 December 2015*** (October 2015); and
- ***Commentary on Directors' Significant Judgments and Auditors' Risks of Material Misstatement*** (November 2015).

7. Other activities

Details of other activities undertaken in 2015 by IAASA's financial reporting supervision unit (such as international co-operation with ESMA, the IASB and the FRC's Accounting Council, and advice to the Minister etc) will be included in IAASA's 2015 Annual Report to be published later in 2016.



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Pending completion of IAASA's 2015 Annual Report, the statistics and related information contained in this document are subject to change.