



# Standards Working Group

**Global Investors Study**

**Final results**

**August 2009**

**J34689**

**Ipsos MORI**



# Methodology

- 402 interviews were conducted by telephone (CATI) between 23<sup>rd</sup> March - 21<sup>st</sup> April 2009
  - The sample consisted of Chief Investment Officers, Portfolio Managers, Directors of Research\*, and Analysts\* that were obtained using IPREO BD Corporate databases
    - \*These two positions were only used in India, China, and Hong Kong due to limited sample availability
- Research was conducted in the following nine countries: United Kingdom, United States (75 interviews), France (50 interviews), Germany (50 interviews), Japan (50 interviews), China (26 interviews), Hong Kong (26 interviews), India (25 interviews), and Singapore (25 interviews).
- All figures are percentages unless otherwise stated. Where percentages do not sum to 100% may be due to rounding or inclusion of multiple responses

# Sample

- The sample for this study was obtained using the IPREO BD Corporate database in March 2009:
  - Previous experience with IPREO BD Corporate leads us to believe it is the best available source for analysts and other financial roles
  - There are however, a finite number of leads in certain countries
- We searched for individuals covering equity within buy and/or sell side firms.
- In order to ensure the correct individuals were contacted, we searched for the following job functions/roles:
  - Chief Investment Officer and Portfolio Manager
  - Director of Research and Analyst we included in India, China, and Hong Kong, as the pool of potential respondents is smaller

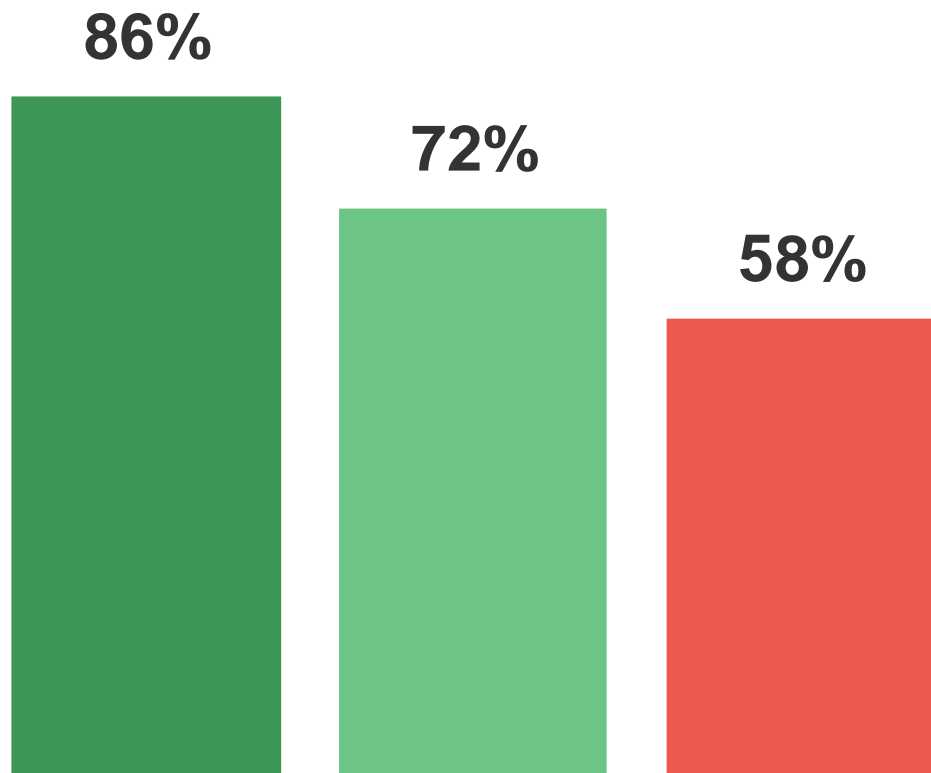
# Sample (cont'd)

- There are a finite number of individuals that fit these job descriptions available in each country, and as such, 400 completes was determined to be an ample representation of the group.
- The countries involved are the UK, US, France, Germany, Japan, India, Singapore, China, and Hong Kong.
- In some countries, the entire available sample was used as there were just enough potential respondents:
  - China, Hong Kong, Japan, and India
- In the remainder of the countries, a relevant proportion were chosen randomly ( $1/n$ ) so they did not over-saturate the feedback:
  - UK, US, France, Germany, and Singapore

# Respondent role

Q. Do you buy, sell or analyse shares or securities on behalf of your organisation?

■ Yes - buy/sell   ■ Yes - analyse   ■ Both



Respondents had option to select multiple responses  
Base: all respondents (402)

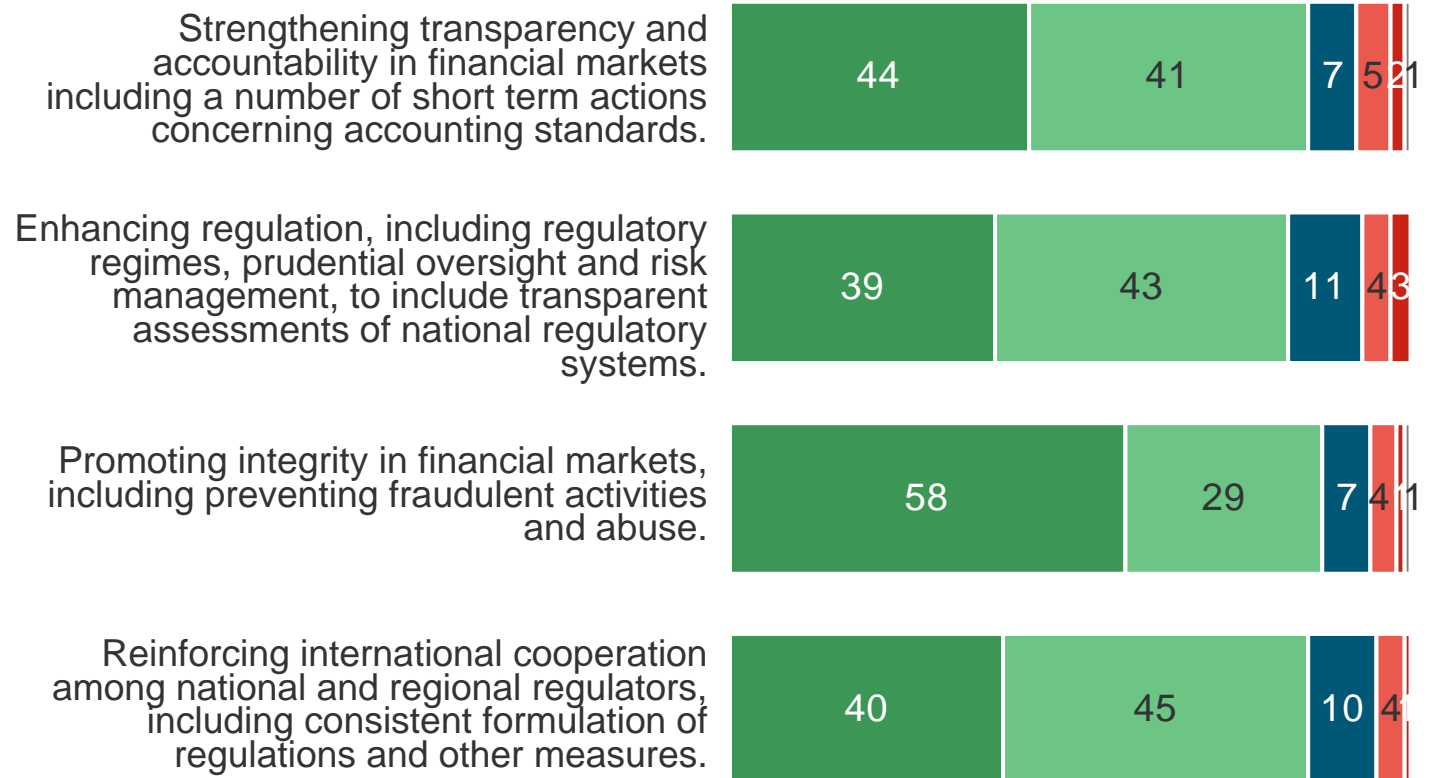


# The economic crisis

# G20 principles as an appropriate strategic priority

Q1. To what extent do you agree or disagree that the following G20 principles are an appropriate strategic priority?

■ % Strongly agree    ■ % Tend to agree    ■ % Neither agree or disagree  
■ % Tend to disagree    ■ % Strongly disagree    ■ % Don't know

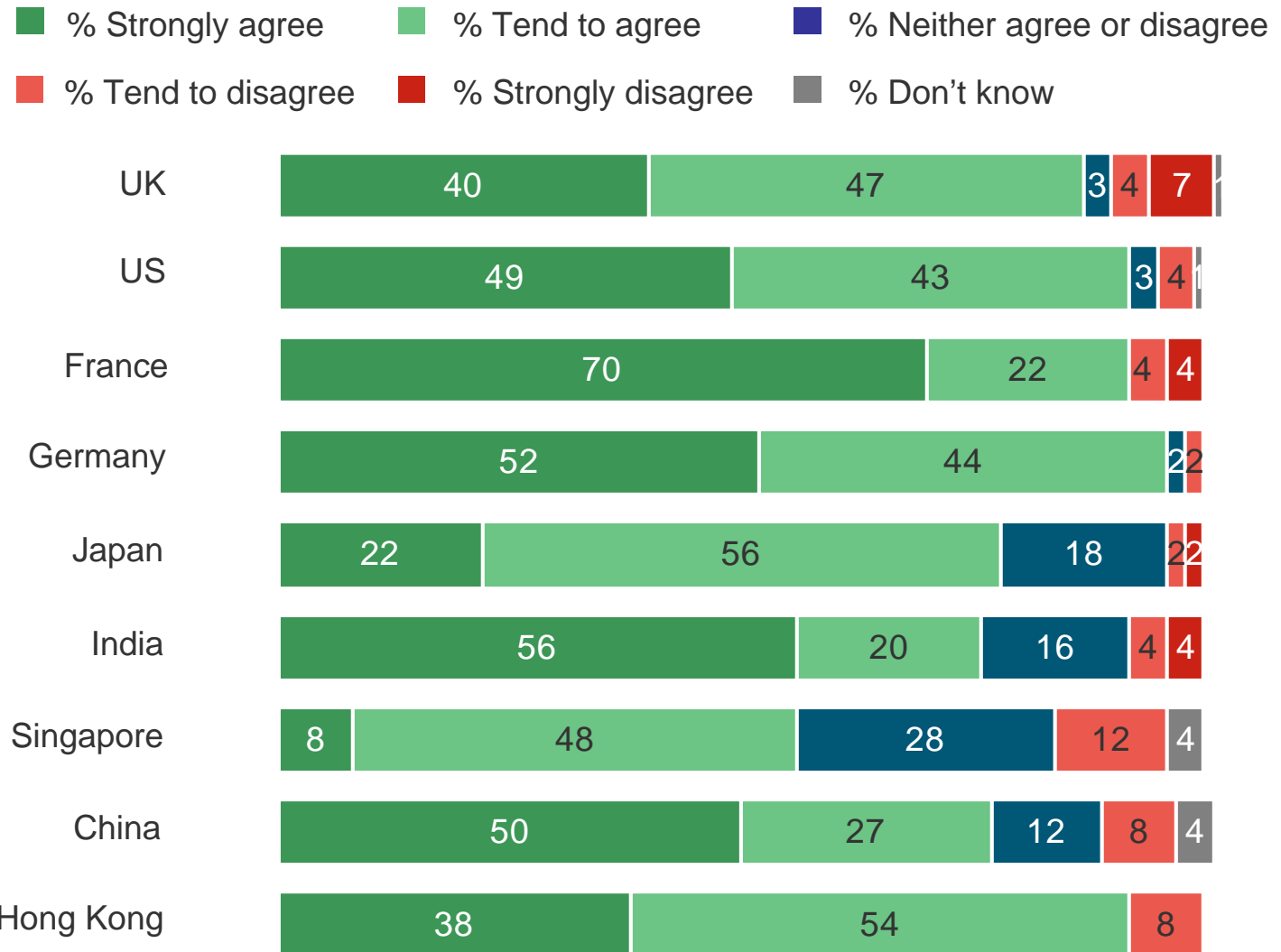


Base: all respondents (402)

# G20 principles as an appropriate strategic priority (by country)

Q1.1 To what extent do you agree or disagree that the following G20 principles are an appropriate strategic priority?

**Strengthening transparency and accountability in financial markets including a number of short term actions concerning accounting standards.**



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

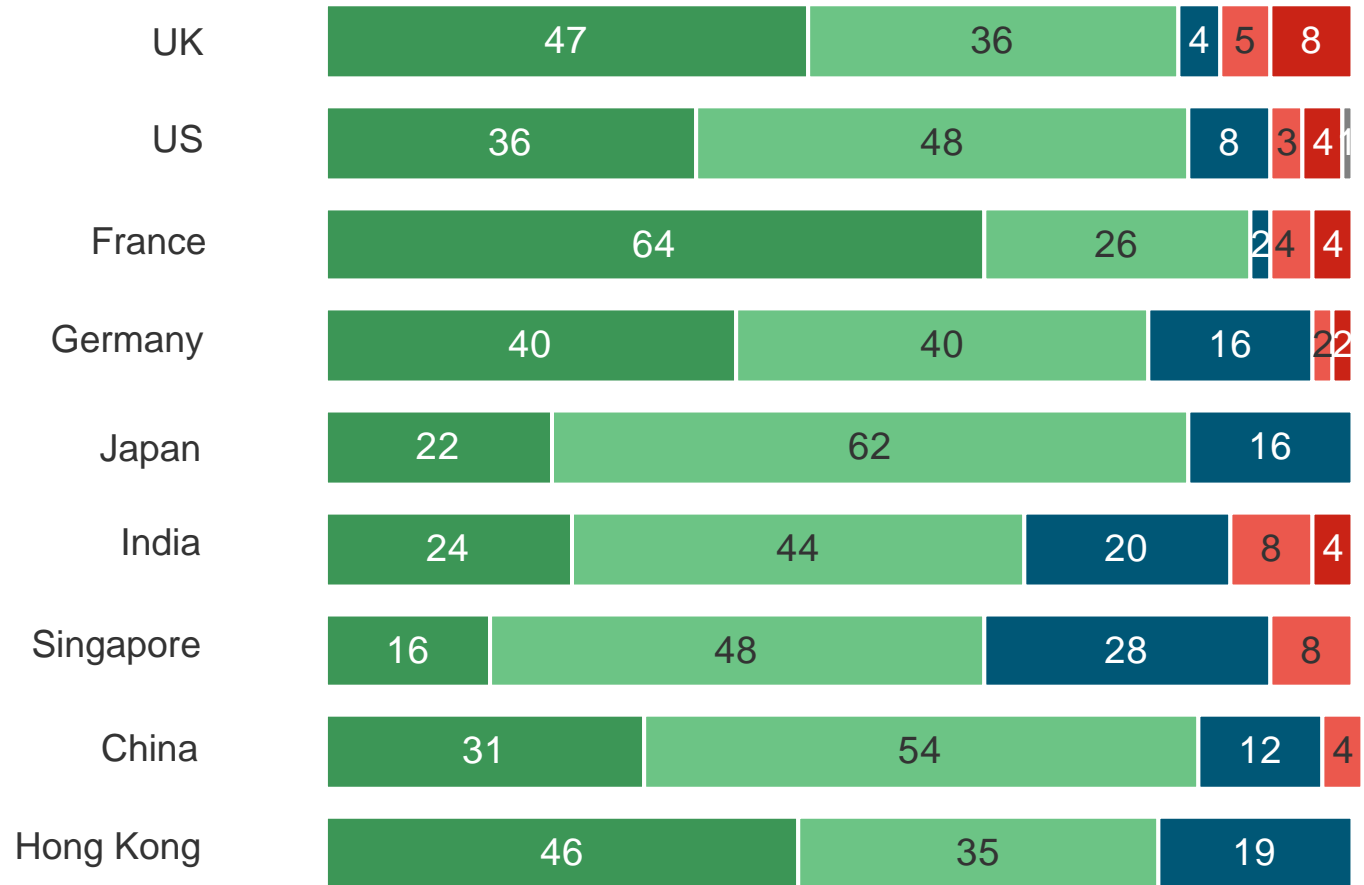


# G20 principles as an appropriate strategic priority (by country)

Q1.2 To what extent do you agree or disagree that the following G20 principles are an appropriate strategic priority?

Enhancing regulation, including regulatory regimes, prudential oversight and risk management, to include transparent assessments of national regulatory systems.

■ % Strongly agree   
 ■ % Tend to agree   
 ■ % Neither agree or disagree   
 ■ % Tend to disagree   
 ■ % Strongly disagree   
 ■ % Don't know



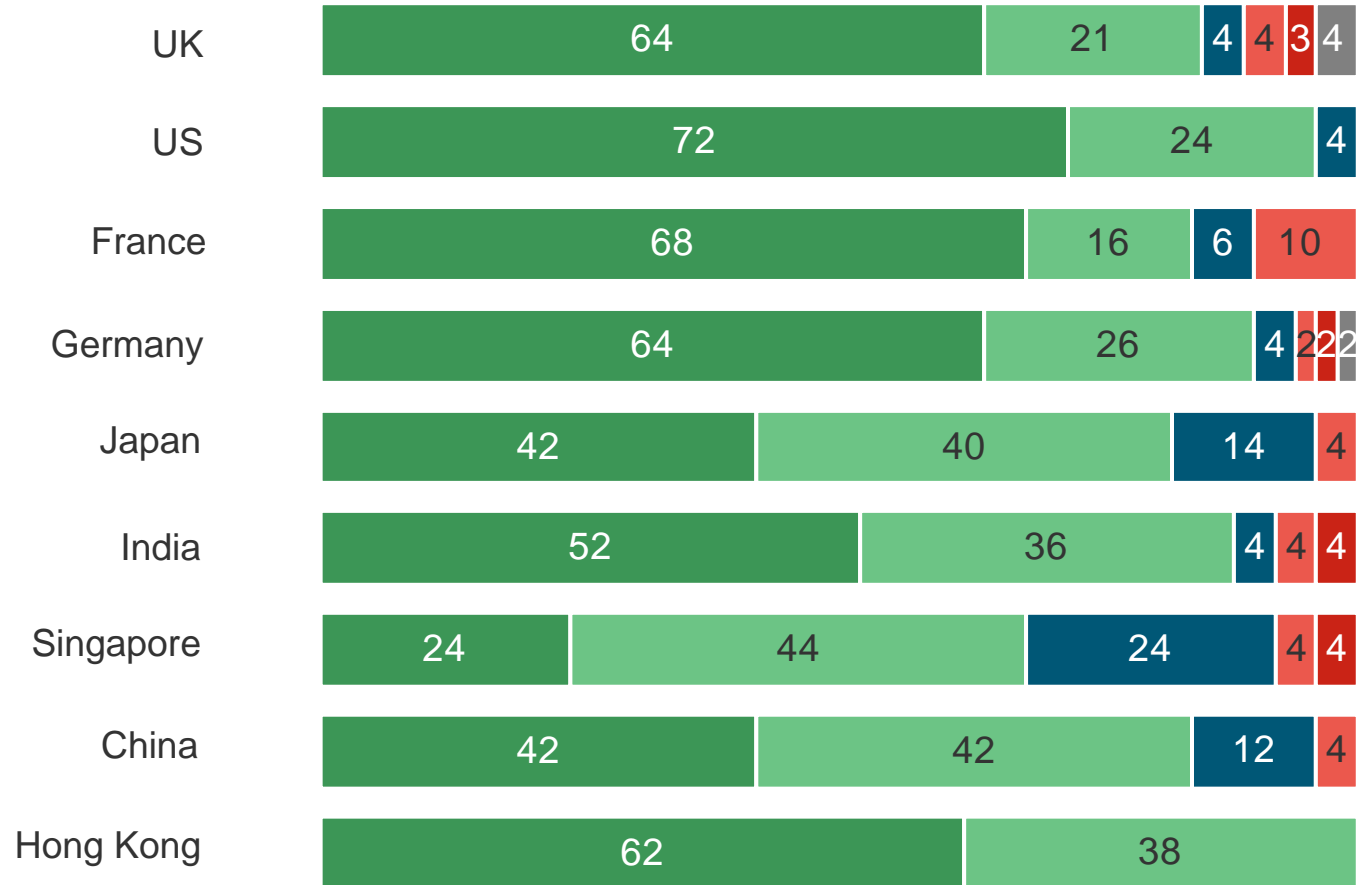
Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# G20 principles as an appropriate strategic priority (by country)

Q1.3 To what extent do you agree or disagree that the following G20 principles are an appropriate strategic priority?

**Promoting integrity in financial markets, including preventing fraudulent activities and abuse.**

■ % Strongly agree    
 ■ % Tend to agree    
 ■ % Neither agree or disagree  
■ % Tend to disagree    
 ■ % Strongly disagree    
 ■ % Don't know



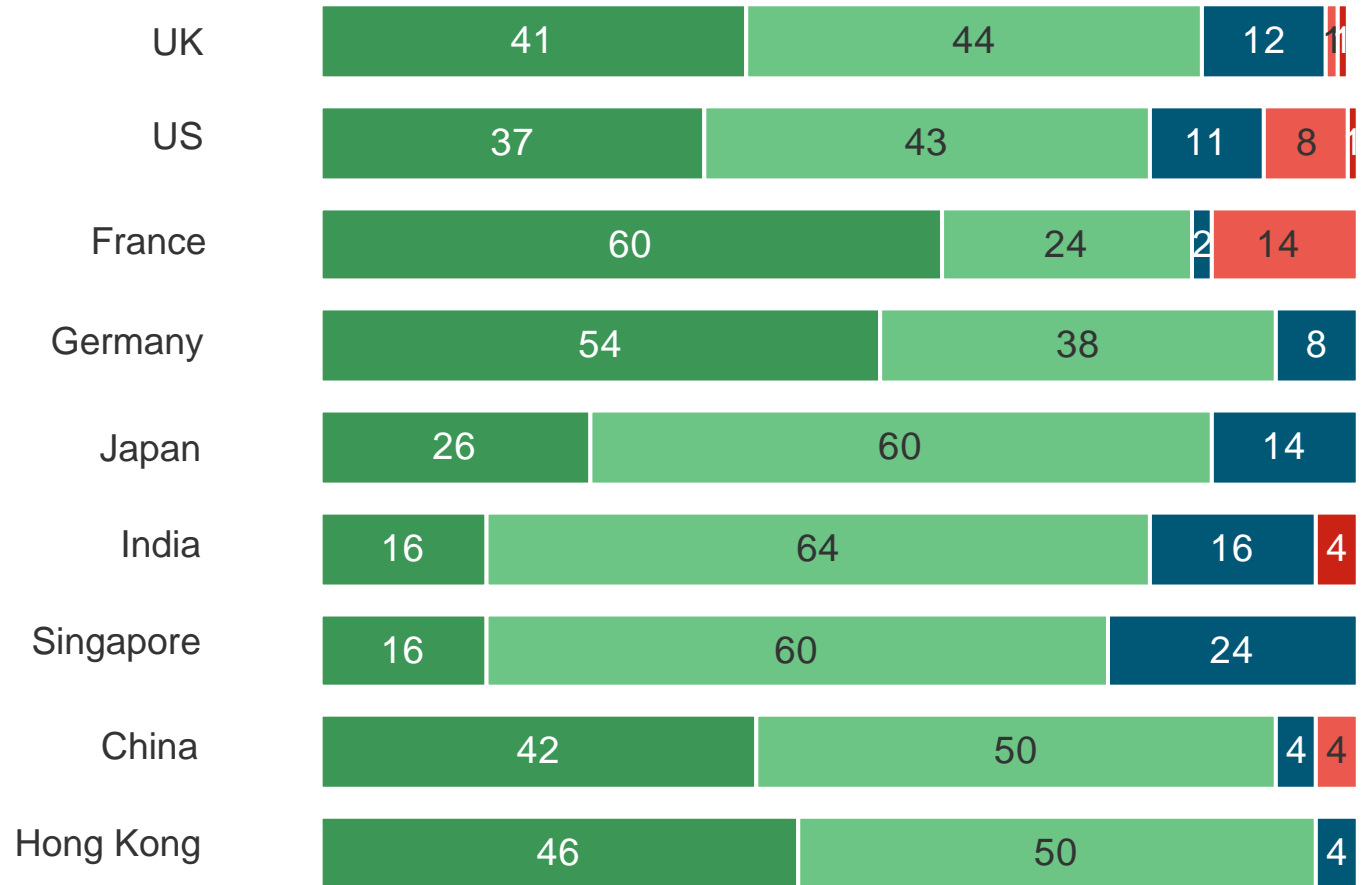
Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# G20 principles as an appropriate strategic priority (by country)

Q1.4 To what extent do you agree or disagree that the following G20 principles are an appropriate strategic priority?

**Reinforcing international cooperation among national and regional regulators, including consistent formulation of regulations and other measures.**

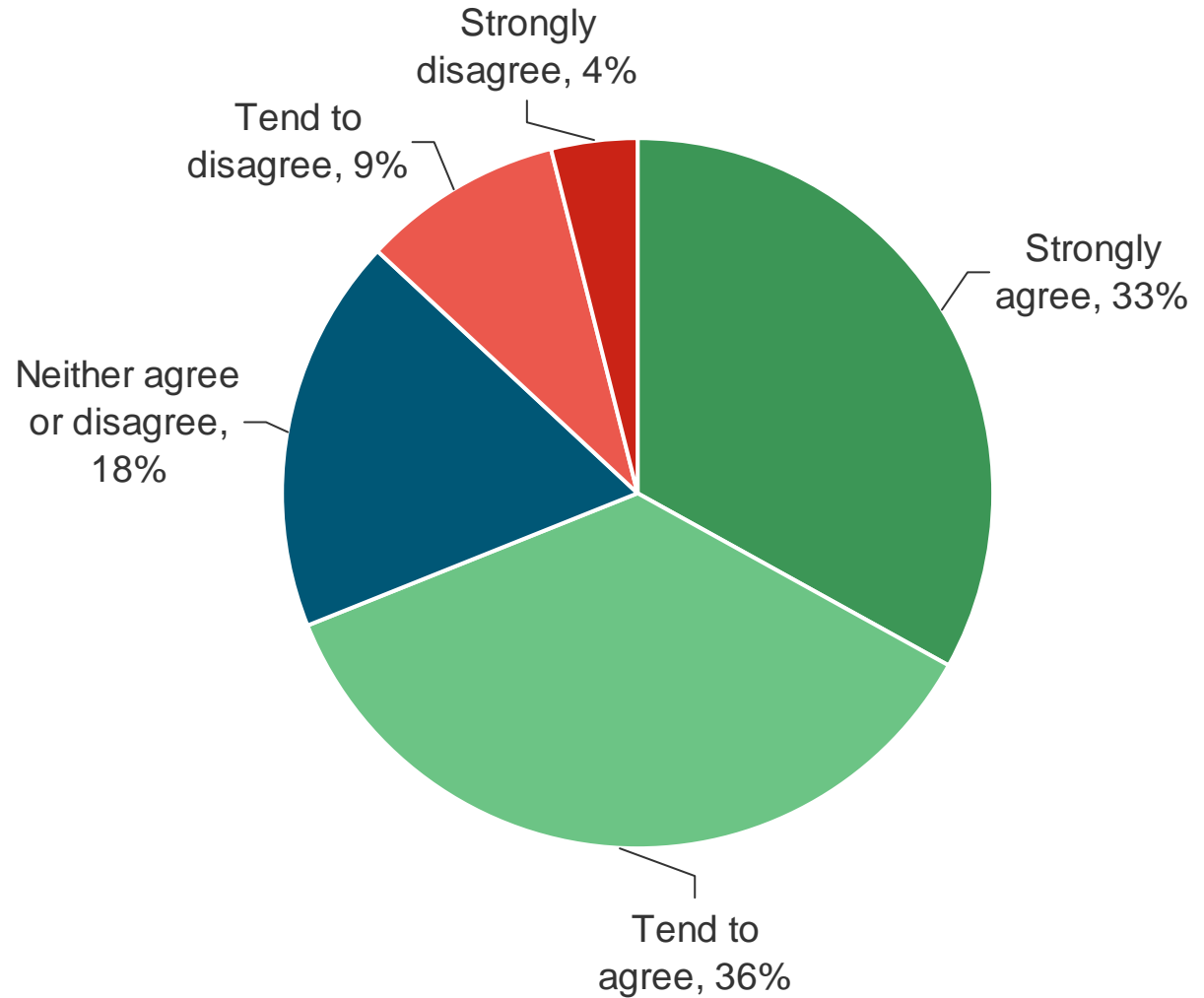
■ % Strongly agree    ■ % Tend to agree    ■ % Neither agree or disagree  
■ % Tend to disagree    ■ % Strongly disagree    ■ % Don't know



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Necessity of a consistent approach

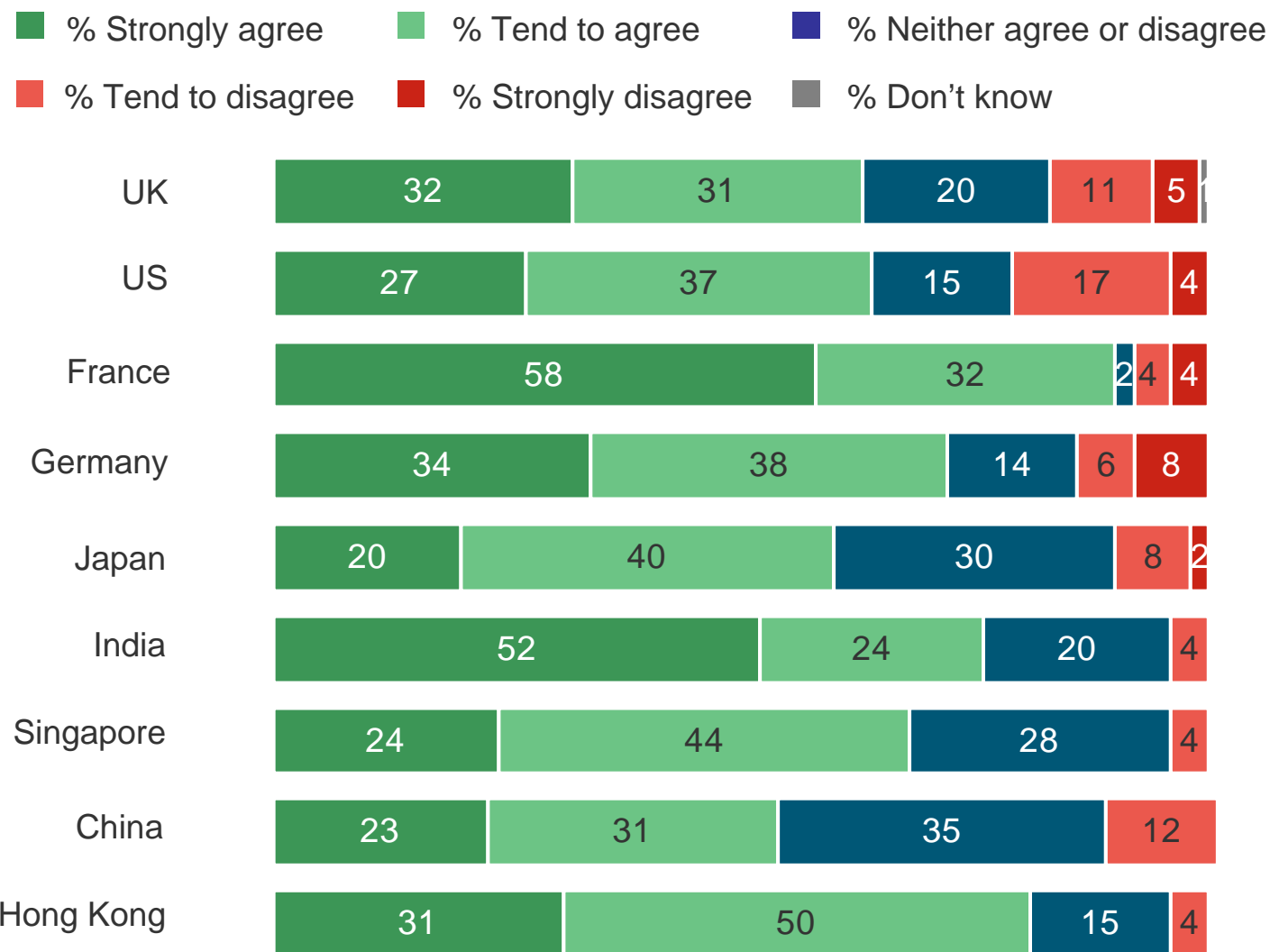
Q2a. The financial crisis of 2008 demonstrates the need for a more globally consistent approach to standards, regulation and enforcement in such areas as accounting, auditing and ethics and supervision...



Base: all respondents (402)

# Necessity of a consistent approach (by country)

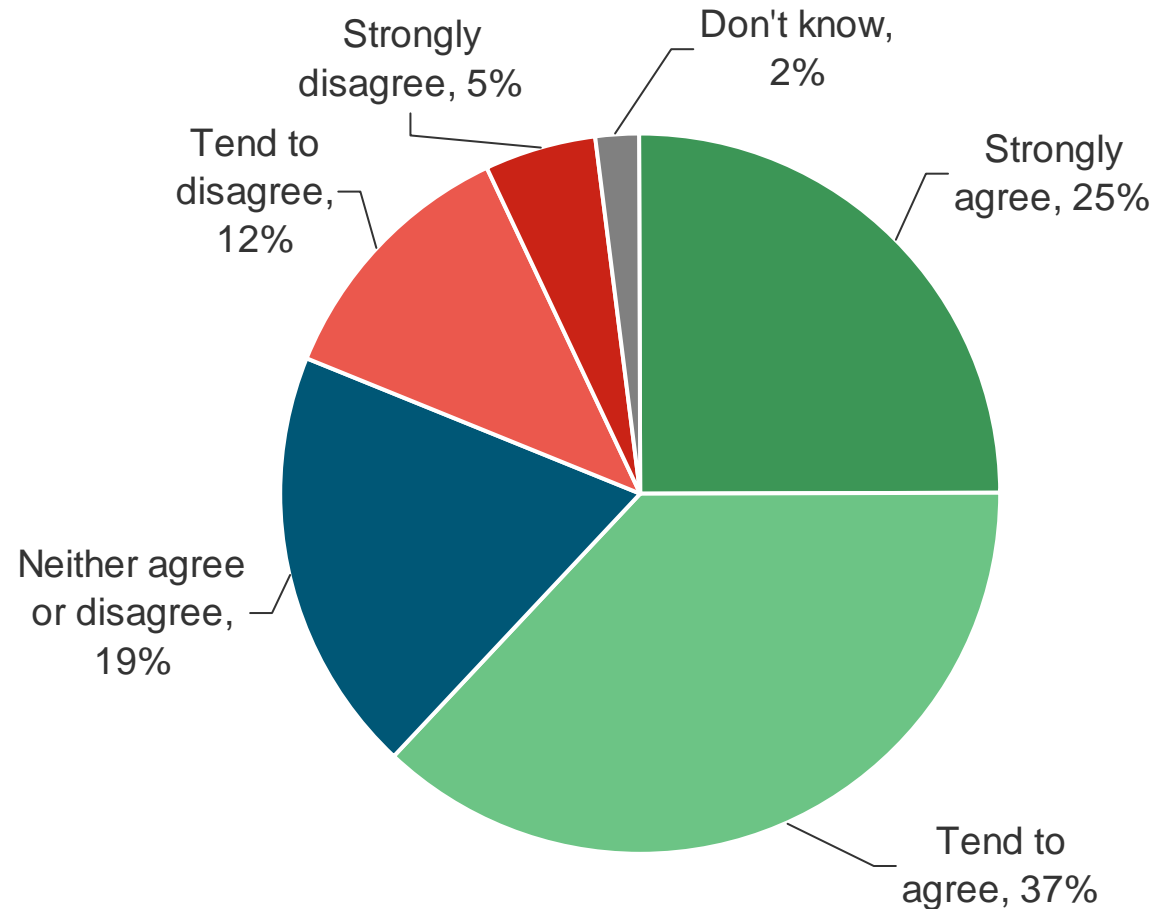
Q2a. The financial crisis of 2008 demonstrates the need for a more globally consistent approach to standards, regulation and enforcement in such areas as accounting, auditing and ethics and supervision...



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Do variations in quality increase cost?

Q4. Variations in the quality of this framework of standards, rules and regulations in various countries increases the cost of capital for companies...

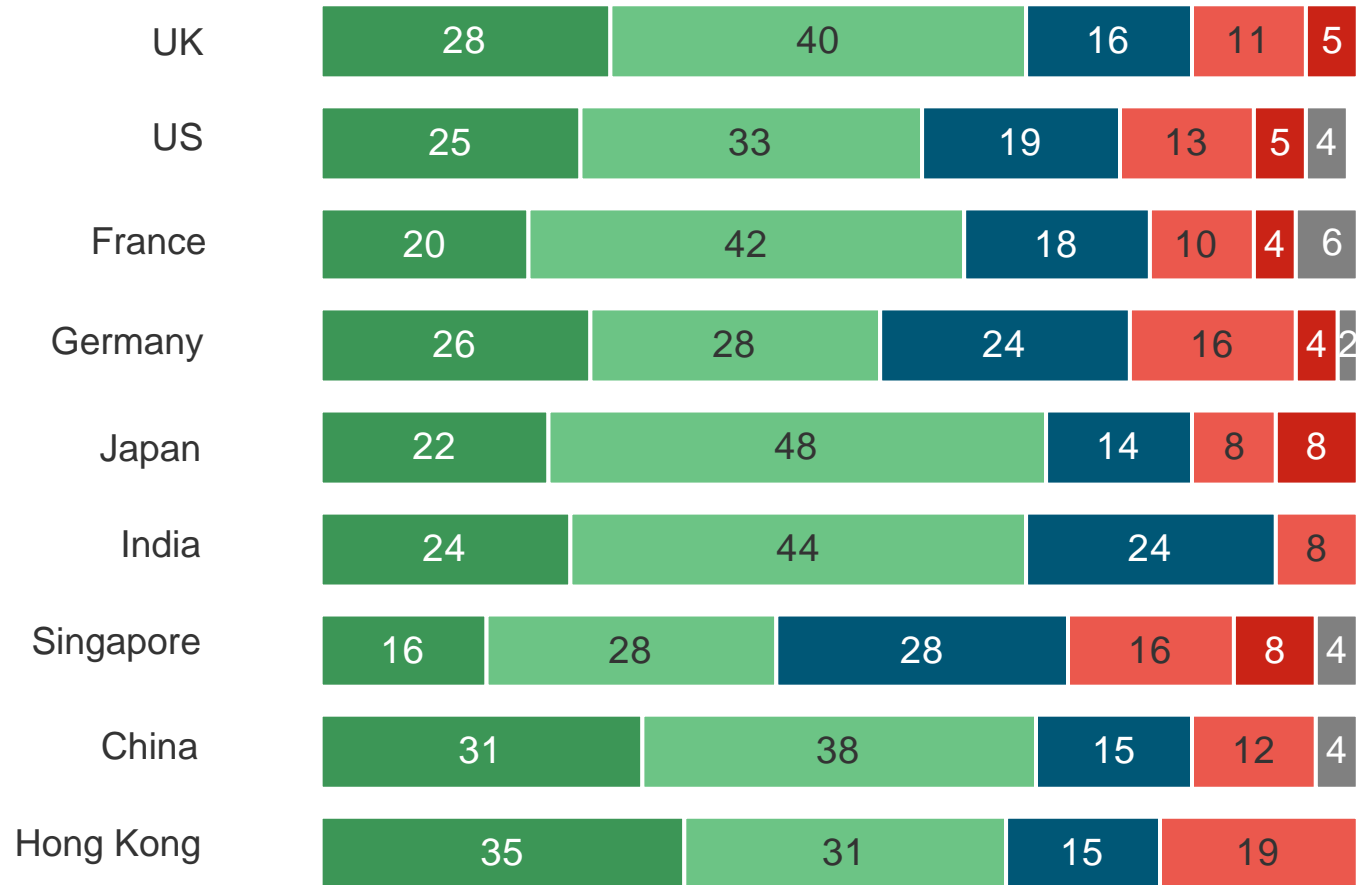


Base: all respondents (402)

# Do variations in quality increase cost? (by country)

Q4. Variations in the quality of this framework of standards, rules and regulations in various countries increases the cost of capital for companies...

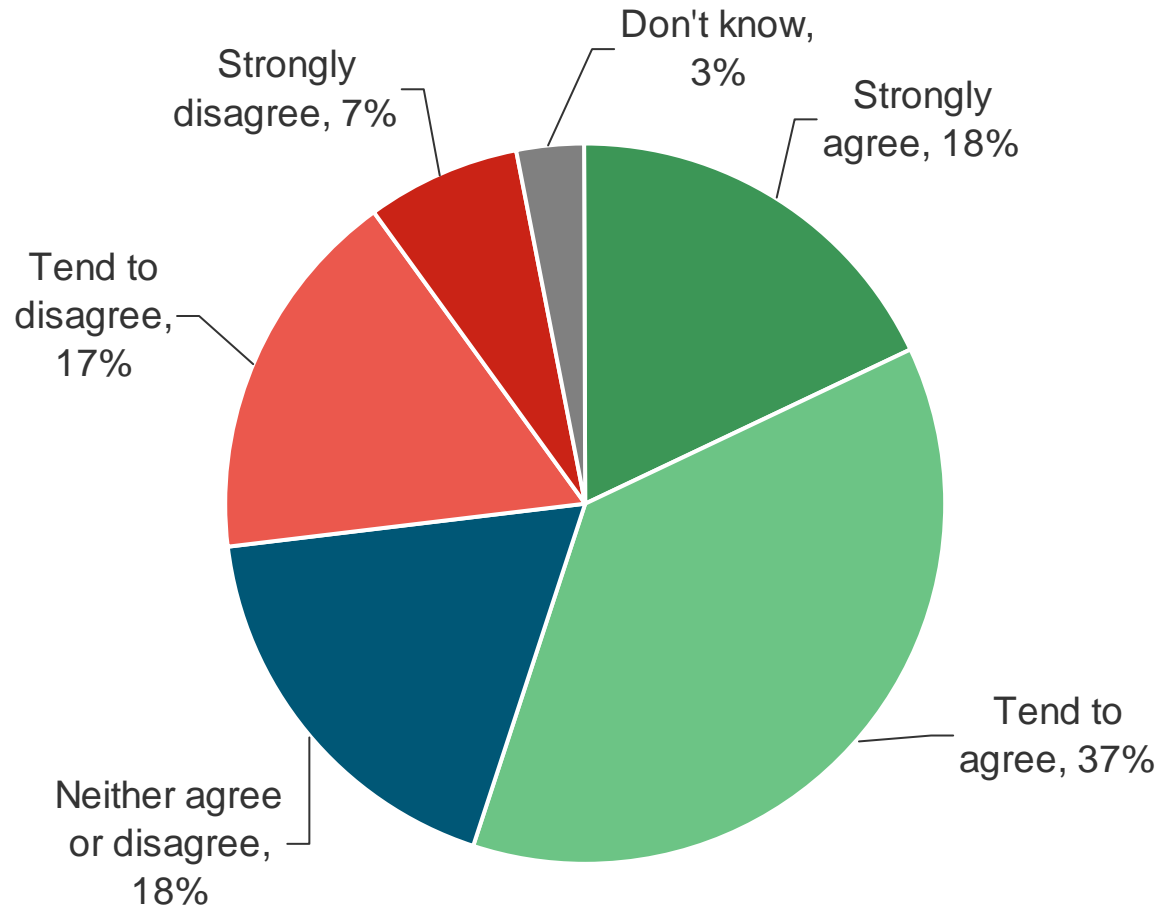
■ % Strongly agree    ■ % Tend to agree    ■ % Neither agree or disagree  
■ % Tend to disagree    ■ % Strongly disagree    ■ % Don't know



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Necessity of clear separation

Q5. There should be clear separation between requirements of financial reporting and prudential reporting...



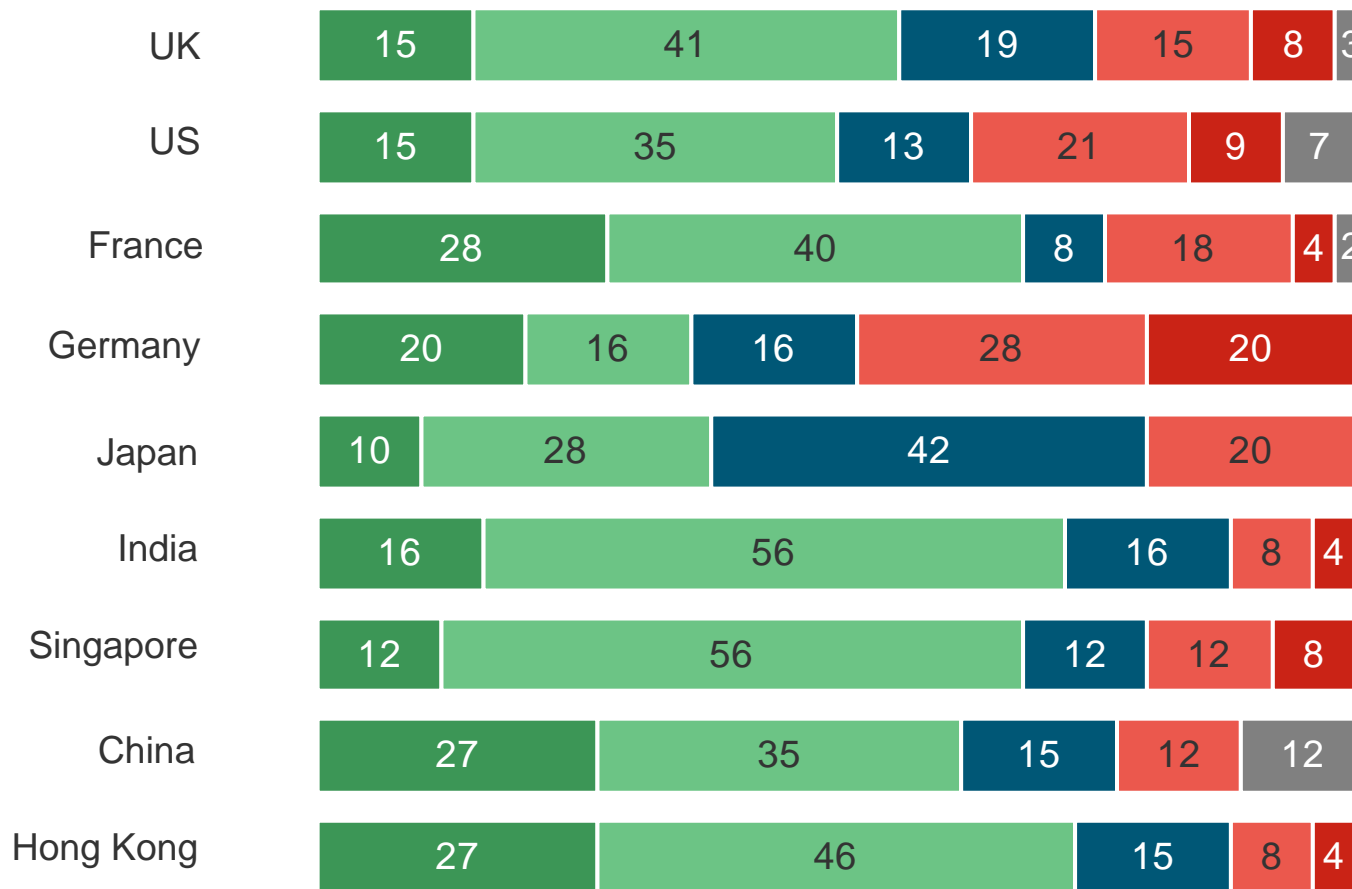
Base: all respondents (402)



# Necessity of clear separation (by country)

Q5. There should be clear separation between requirements of financial reporting and prudential reporting...

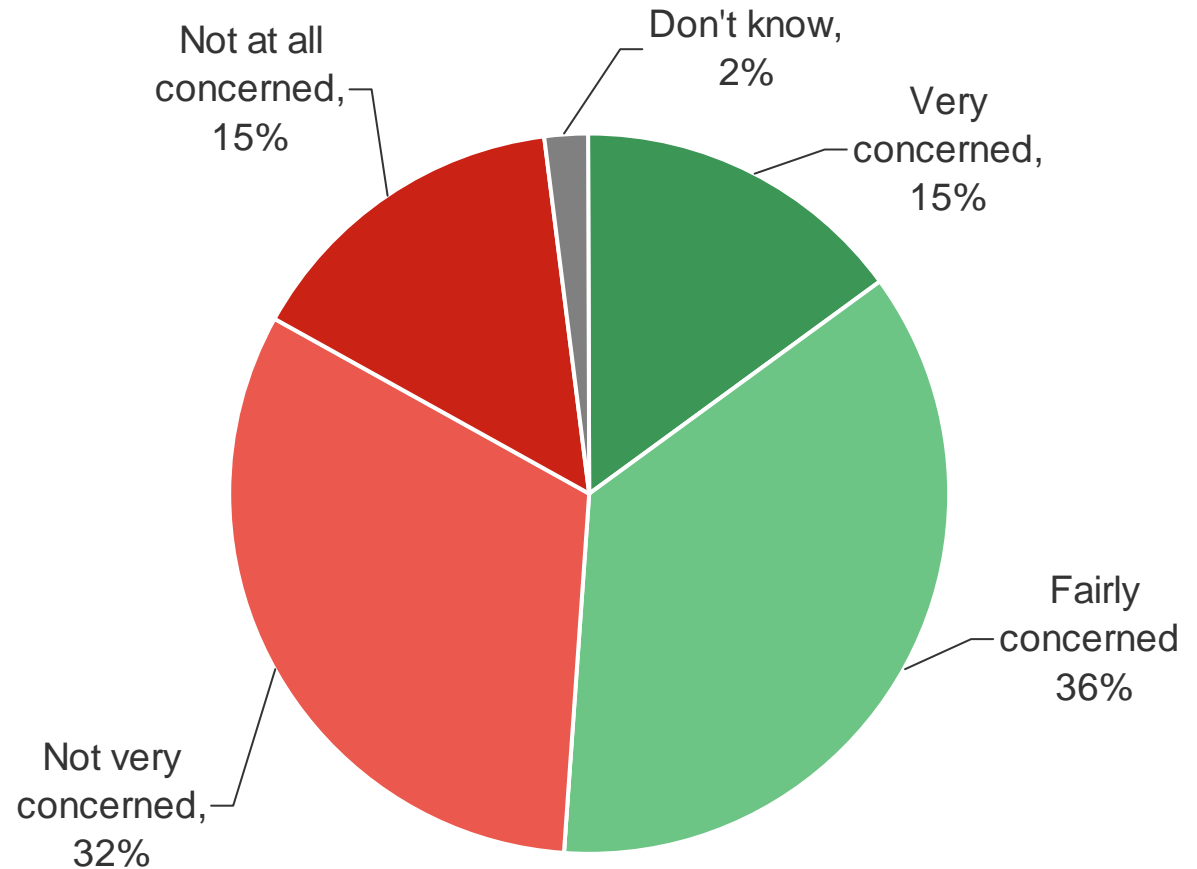
■ % Strongly agree    ■ % Tend to agree    ■ % Neither agree or disagree  
 ■ % Tend to disagree    ■ % Strongly disagree    ■ % Don't know



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Demands of market for transparency

Q6. How concerned are you that there is a potential conflict between the demands of the market for transparency in financial reporting and the requirements of regulators to ensure financial stability through prudential reporting?

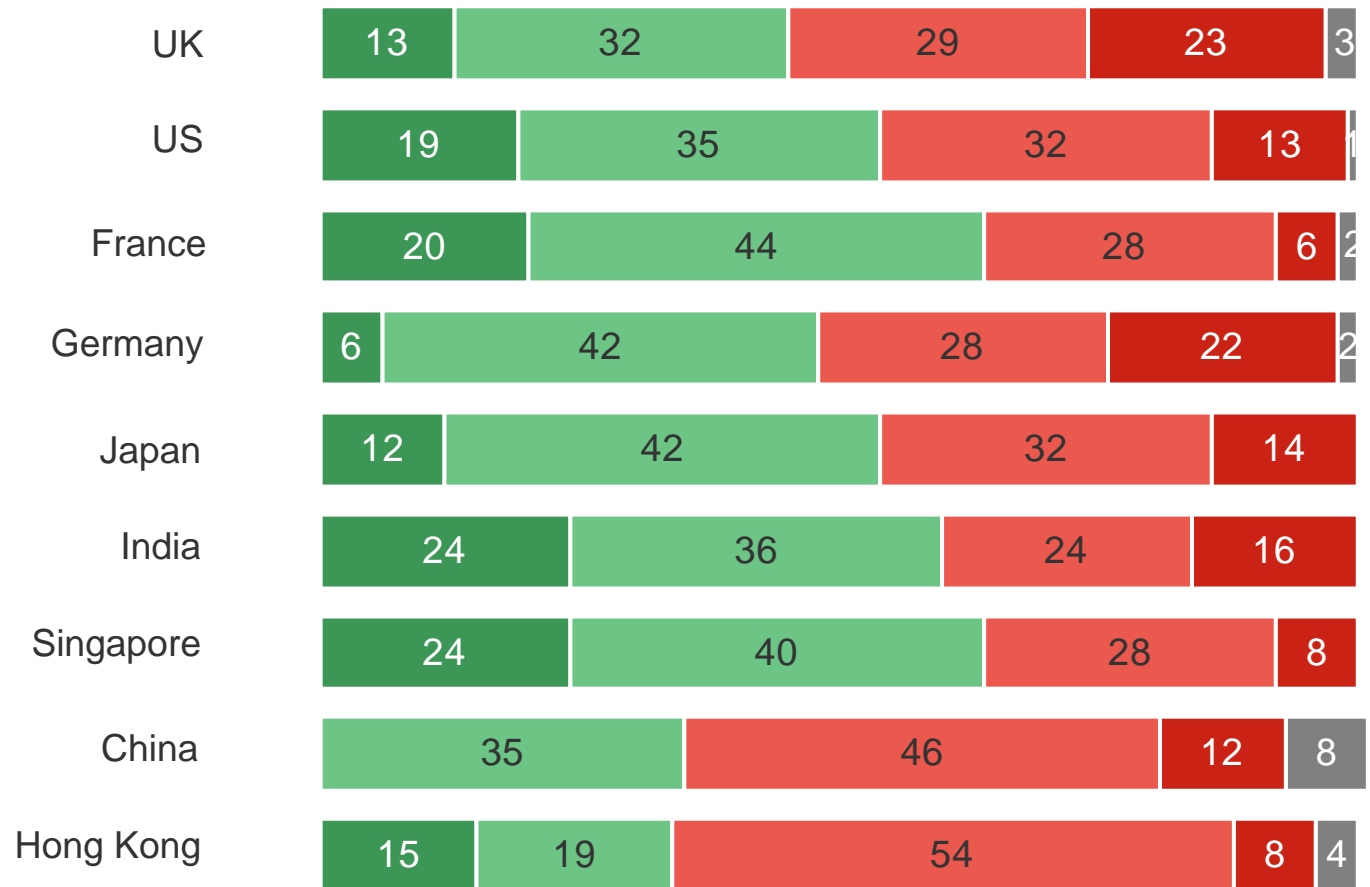


Base: all respondents (402)

# Demands of market for transparency (by country)

Q6. How concerned are you that there is a potential conflict between the demands of the market for transparency in financial reporting and the requirements of regulators to ensure financial stability through prudential reporting?

■ % Very concerned   
 ■ % Fairly concerned   
 ■ % Not very concerned  
■ % Not at all concerned   
 ■ % Don't know



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Fraud prevention

Q8. A number of significant alleged frauds have emerged since the crisis began. What do you think are the priority steps that could be taken to improve fraud prevention, taking into account cost/benefit considerations? (top mentions)



Respondents could state more than one response  
Base: all respondents (402)

# Fraud prevention (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
More regulation/more resources for regulatory enforcement	18	29	20	12	18	-	4	4	46	12
Transparency	13	16	15	12	8	2	20	8	12	27
Better enforcement of existing regulations	10	11	16	18	12	-	-	4	4	8
Better reporting / audit / accounting / risks / controls / tests / standards	9	17	5	10	10	-	28	12	-	-
Fraud cannot be prevented	8	7	8	8	24	2	-	4	8	8

- Top mention in Japan - Effectively enforced dissuasive penalties in law for fraud (20%)
- Top mention in Singapore - More intensive scrutiny of audited financial statements by regulators and other third parties (28%)

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Fraud prevention

“The compensation of the top management should be aligned with the long-term performance of the company.”

“Basically the entire incentive structure in the industry must change drastically.”

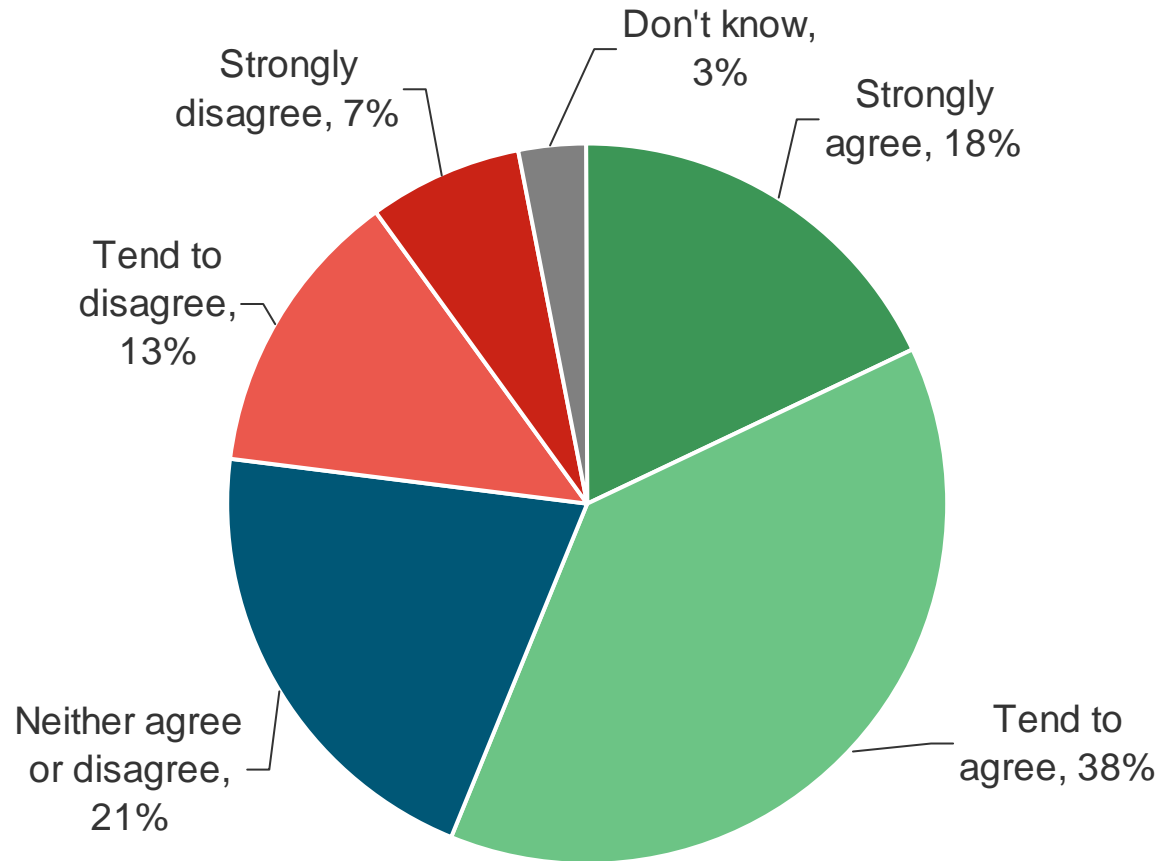
“To establish a better system of remuneration between the people who takes risks and the leader of the company.”

“Constantly focusing on compensation structures throughout the industries.”

“There has to be some amount of control on bonuses that you get for your performance, because this is purely linked to short term sales or short term profitability targets.”

# Clarity for investors and companies

Q9. To what extent do you agree or disagree that there is insufficient clarity for investors and for companies about which measures would be most effective, in terms of both quality and cost, for preventing fraud?

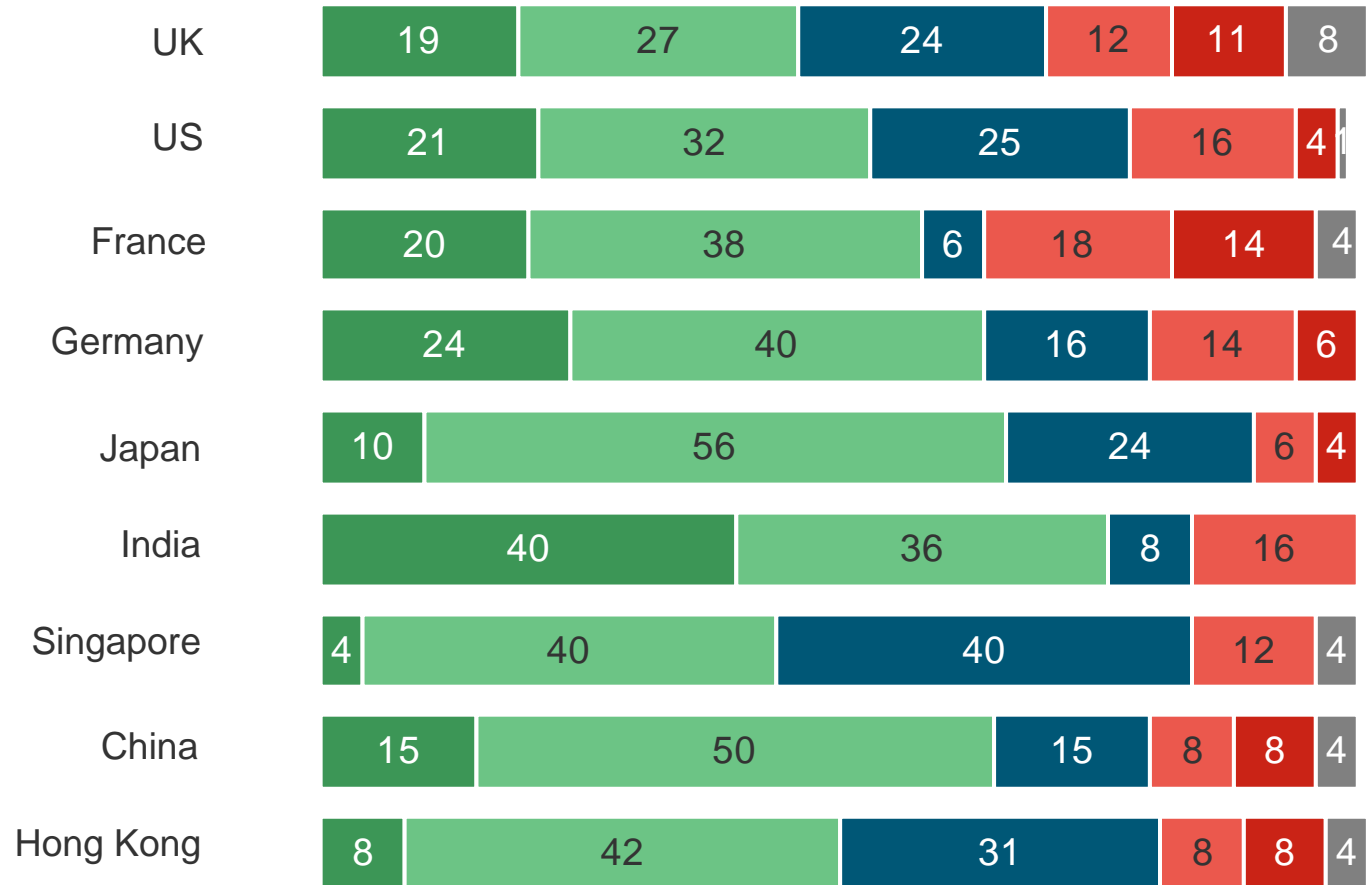


Base: all respondents (402)

# Clarity for investors and companies (by country)

Q9. To what extent do you agree or disagree that there is insufficient clarity for investors and for companies about which measures would be most effective, in terms of both quality and cost, for preventing fraud?

■ % Strongly agree    ■ % Tend to agree    ■ % Neither agree or disagree  
■ % Tend to disagree    ■ % Strongly disagree    ■ % Don't know



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

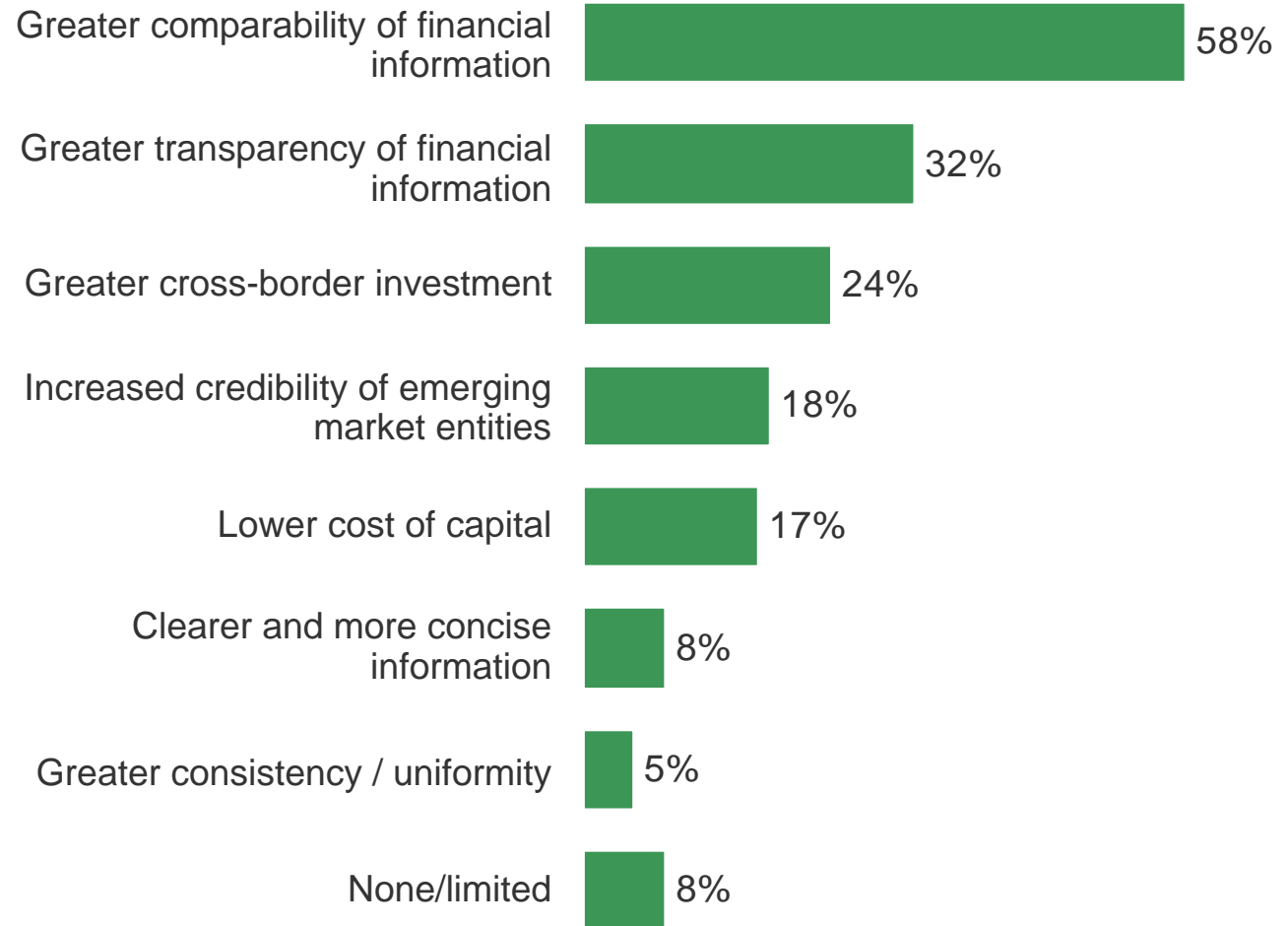




# Accounting & Auditing Standards

# Benefits of global accounting standards

Q10. What would be the benefits, if any, of a single, global, consistent set of accounting standards? (top mentions)



Respondents had option to select multiple responses

Base: all respondents (402)

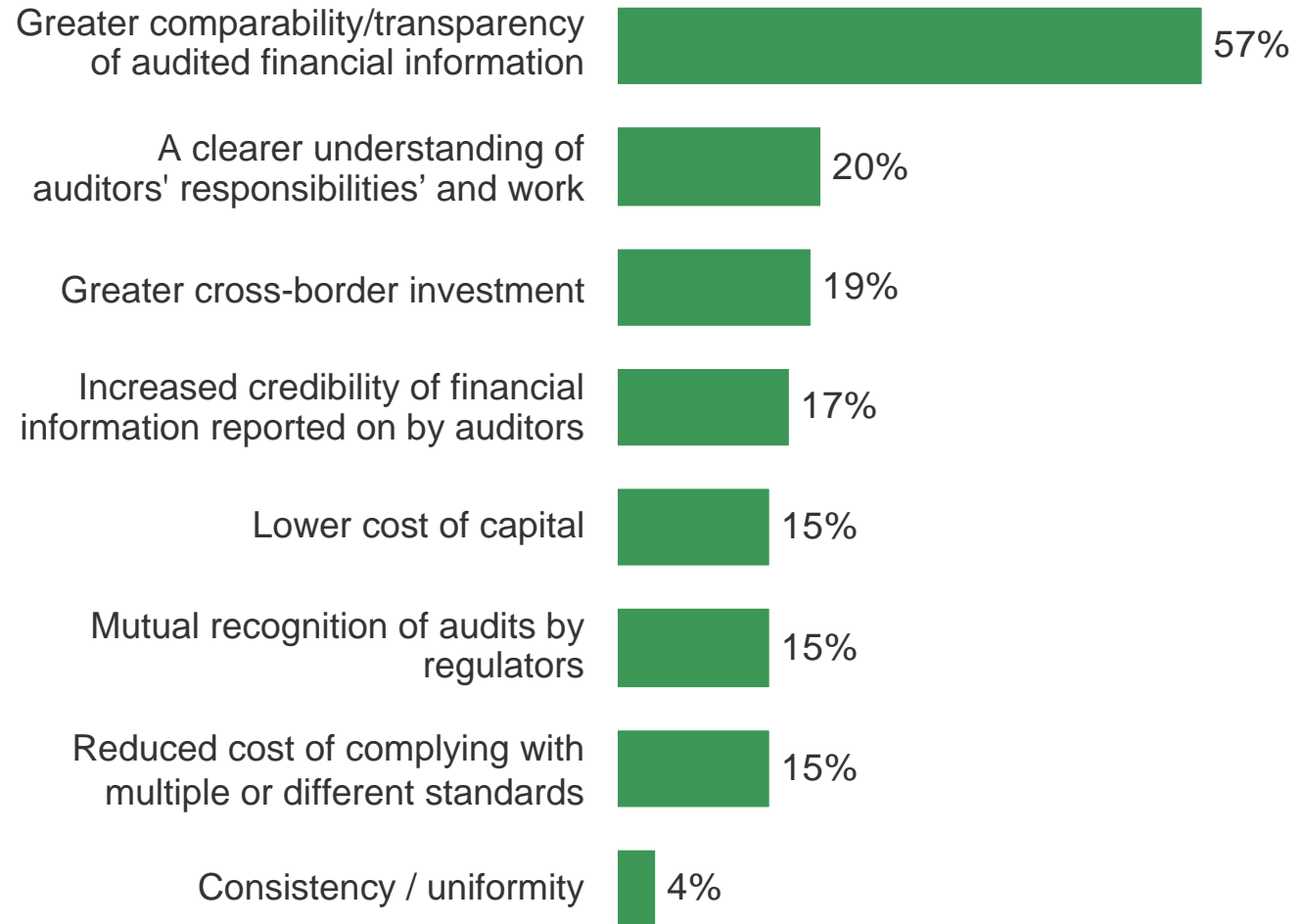
# Benefits of global accounting standards (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
Greater comparability of financial information	58	43	39	60	66	90	92	100	38	31
Greater transparency of financial information	32	17	17	18	34	36	68	76	46	42
Greater cross-border investment	24	15	16	4	4	54	60	80	12	15
Increased credibility of emerging market entities	18	1	3	2	-	54	76	80	12	-
Lower cost of capital	17	15	11	2	6	20	44	60	23	19
Clearer and more concise information	8	13	9	12	4	-	-	-	4	31
Greater consistency / uniformity	5	9	9	12	2	-	-	-	-	4
None/limited	8	11	13	10	2	4	-	-	19	4

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Benefits of International Standards on Auditing

Q11. What would be the benefits, if any, of a single, global, consistent set of auditing standards, such as International Standards on Auditing issued by the International Auditing and Assurance Standards Board? (top mentions)



Respondents had option to select multiple responses

Base: all respondents (402)

# Benefits of International Standards on Auditing (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
Greater comparability/ transparency of audited financial information	57	48	39	50	62	82	88	96	50	35
A clearer understanding of auditors' responsibilities' and work	20	8	17	8	4	30	64	68	19	12
Greater cross-border investment	19	7	11	-	-	52	60	68	15	8
Increased credibility of financial information reported on by auditors	17	-	3	2	4	46	80	60	12	8
Lower cost of capital	15	11	8	-	6	20	44	48	27	15
Mutual recognition of audits by regulators	15	1	4	-	2	28	72	84	4	8
Reduced cost of complying with multiple or different standards	15	3	3	-	6	32	60	80	4	-

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Benefits of International Ethics Standards for accountants

Q12. What would be the benefits, if any, of a single, global, consistent set of ethics and independence standards for auditors, such as international standards on ethics and independence issued by the International Ethics Standards Board for accountants? (top mentions)

Greater clarity for investors and others on the meaning of auditors' independence

67%

Reduced complexity for audit committees, auditors and regulators in applying a common independence code

57%

Greater understanding of the interaction between independence rules and choice in the audit market and adoption of an agreed global position

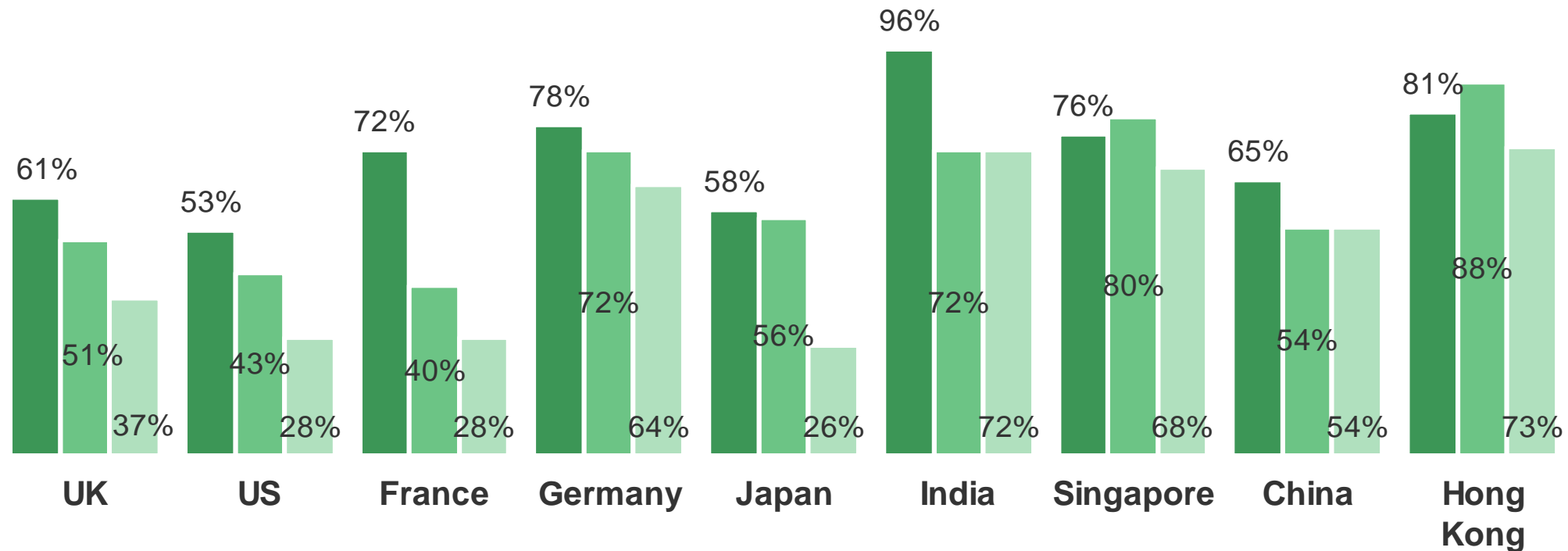
44%

Respondents had option to select multiple responses

Base: all respondents (402)

# Benefits of International Ethics Standards for accountants (by country)

- Greater clarity for investors and others on the meaning of auditors' independence
- Reduced complexity for audit committees, auditors and regulators in applying a common independence code
- Greater understanding of the interaction between independence rules and choice in the audit market and adoption of an agreed global position

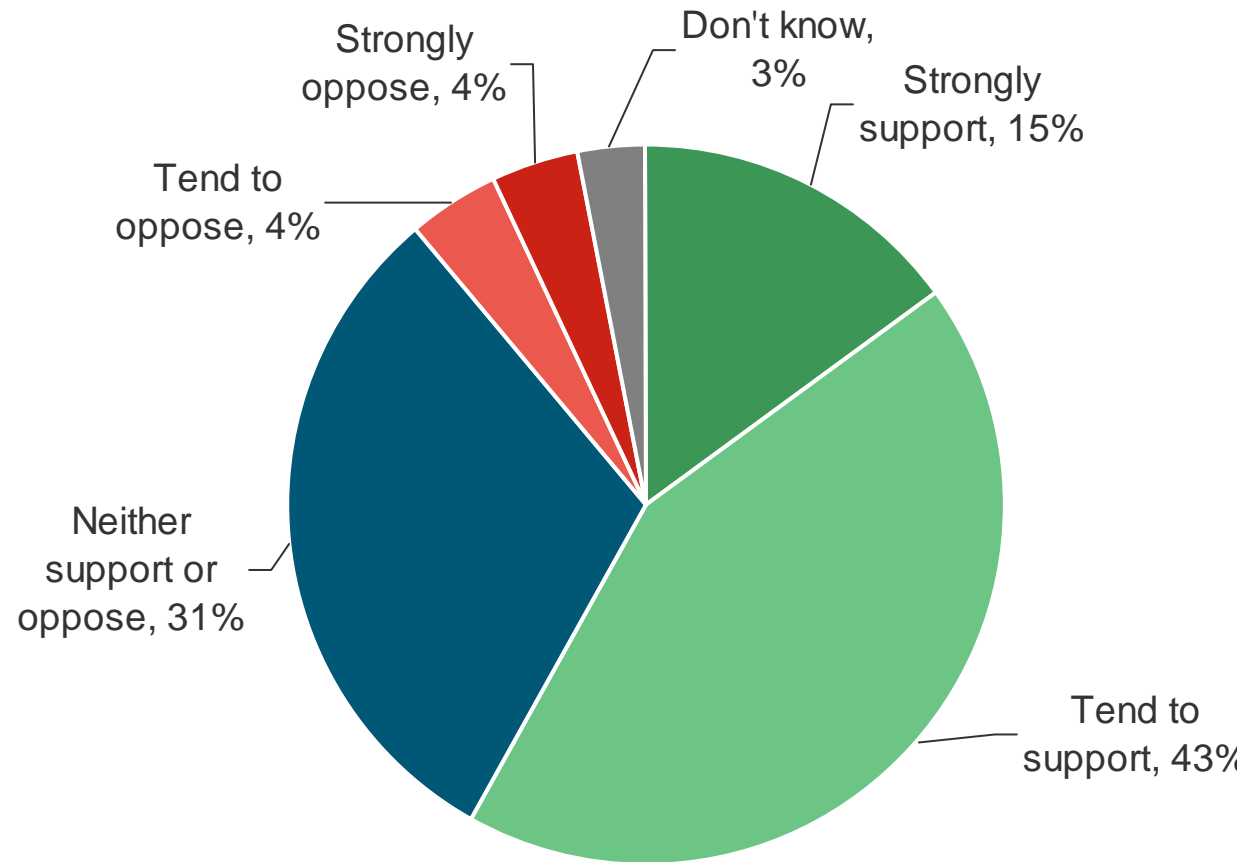


Respondents had option to select multiple responses

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Support for interim solution for auditing foreign subsidiaries in group audits

Q13. One interim solution that has been suggested is for regulators to allow the International Ethics Standards Board standards to be used in the audit of foreign subsidiaries in group audits. How strongly would you support such a move?



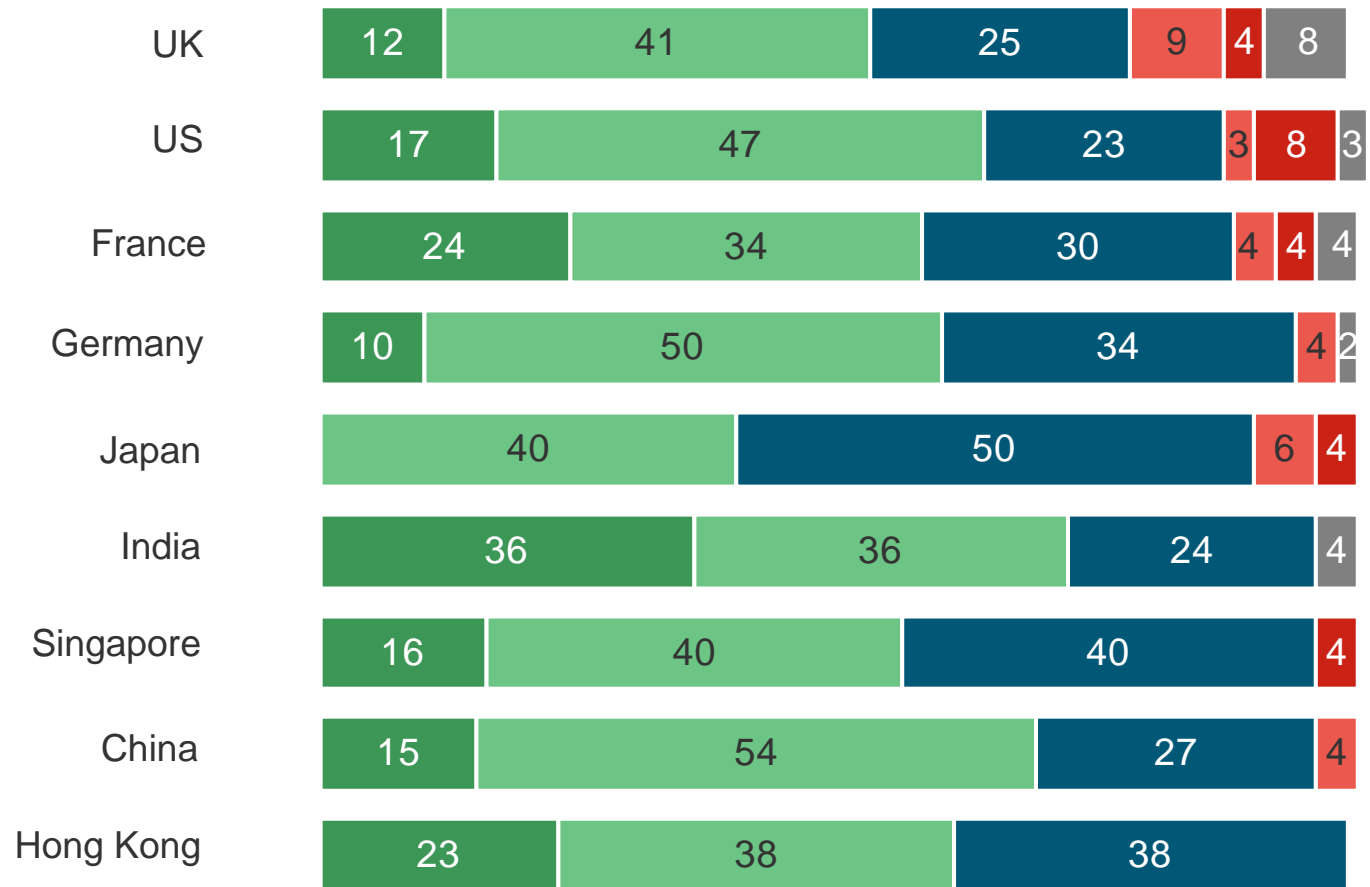
Base: all respondents (402)



# Support for interim solution for auditing foreign subsidiaries in group audits (by country)

Q13. One interim solution that has been suggested is for regulators to allow the International Ethics Standards Board standards to be used in the audit of foreign subsidiaries in group audits. How strongly would you support such a move?

■ % Strongly support    ■ % Tend to support    ■ % Neither support nor oppose  
■ % Tend to oppose    ■ % Strongly oppose    ■ % Don't know



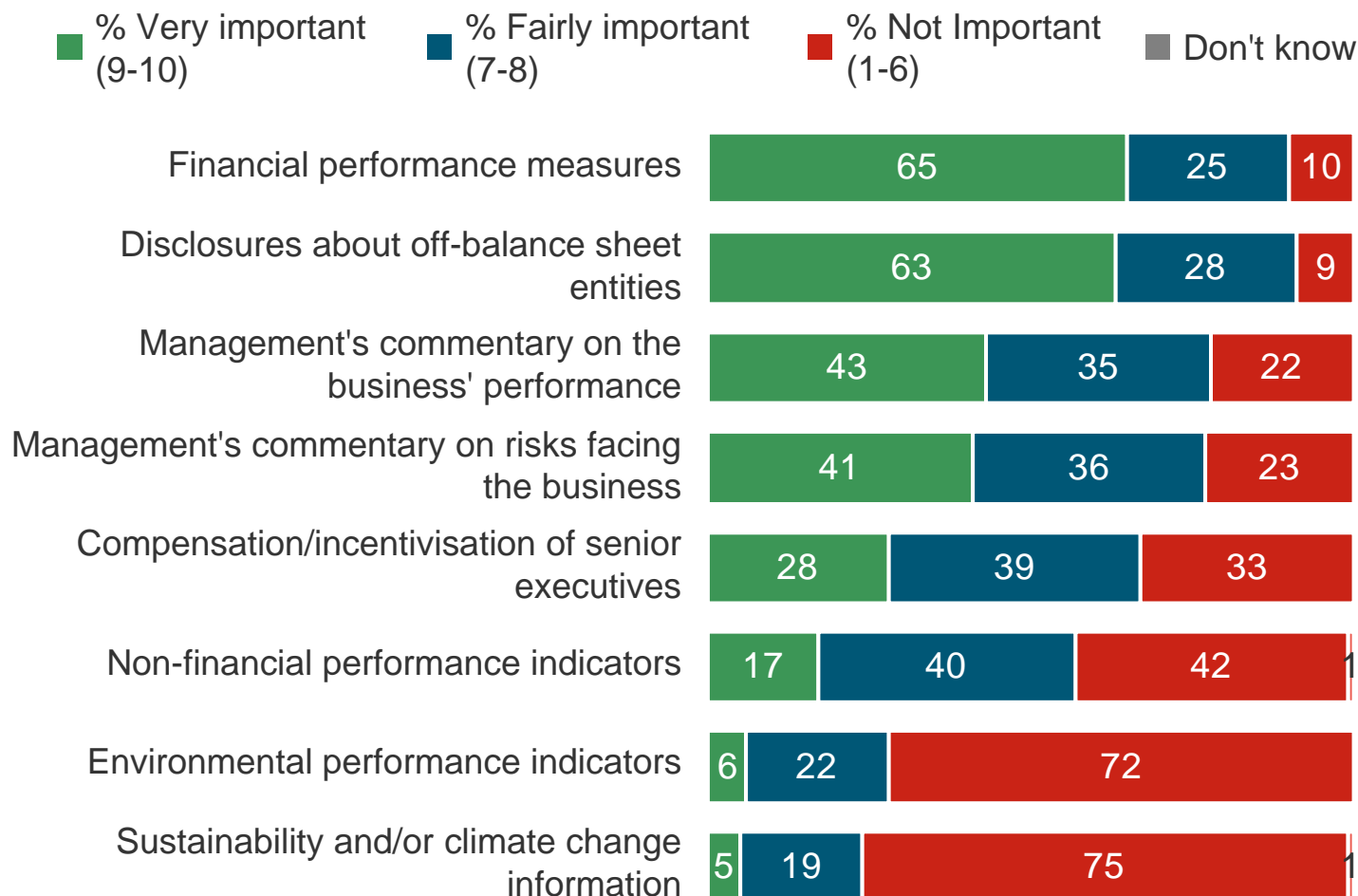
Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)



# Financial & Non-financial Reporting

# Information sources when making judgements

Q15. How important are the following as a source of information when making judgements about different organisations?

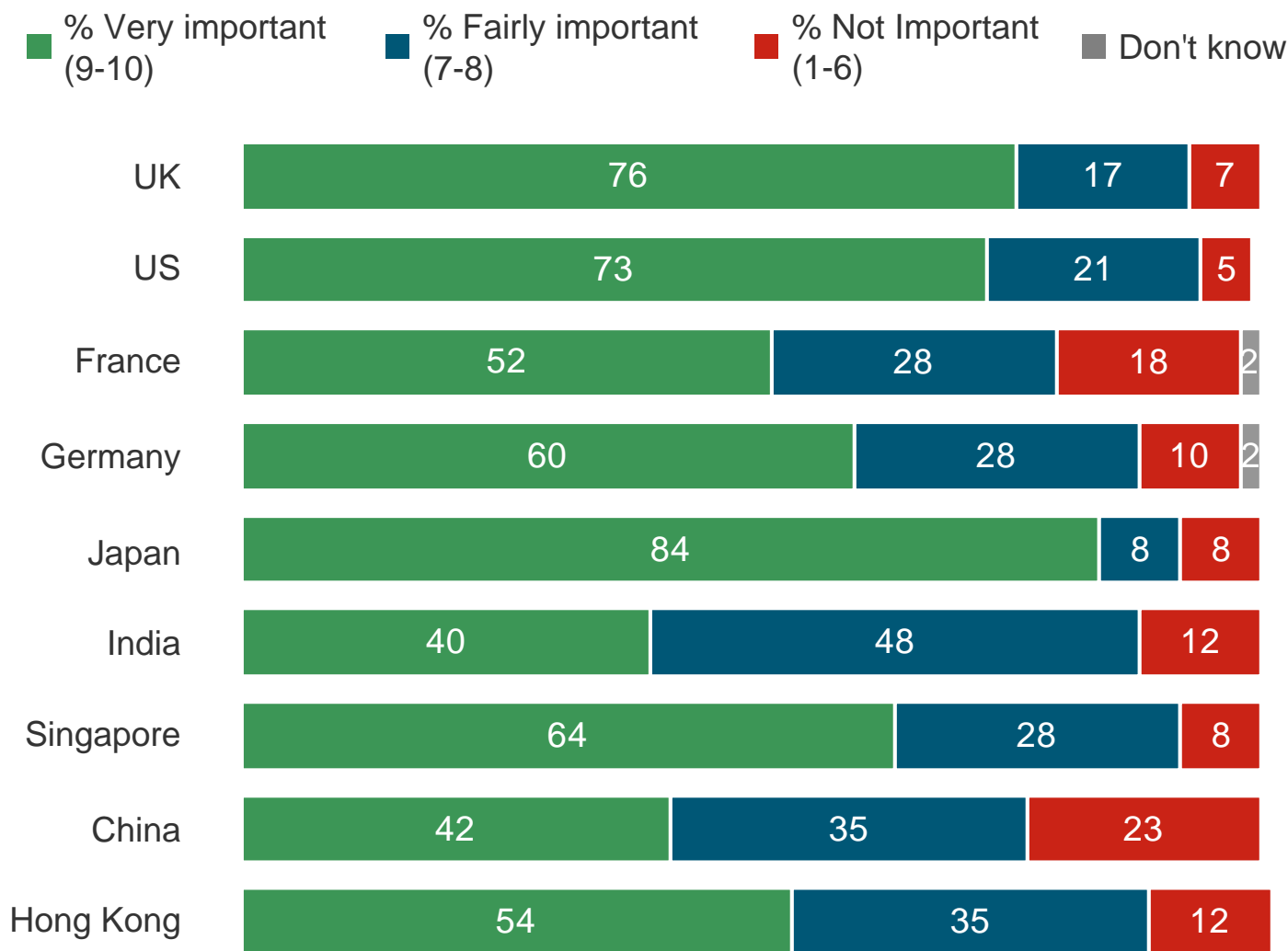


Base: all respondents (402)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Financial performance measures**

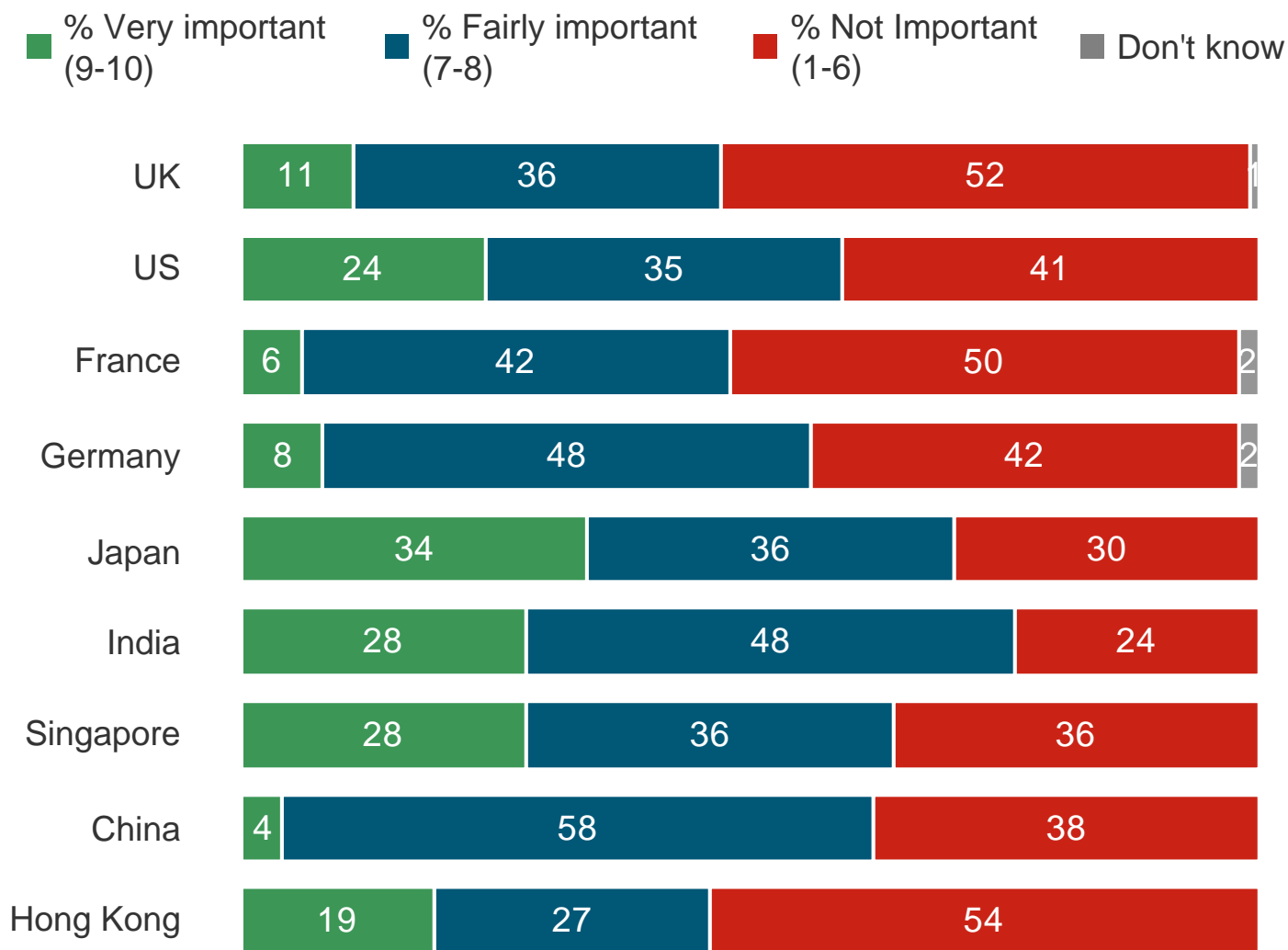


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Non-financial performance indicators**

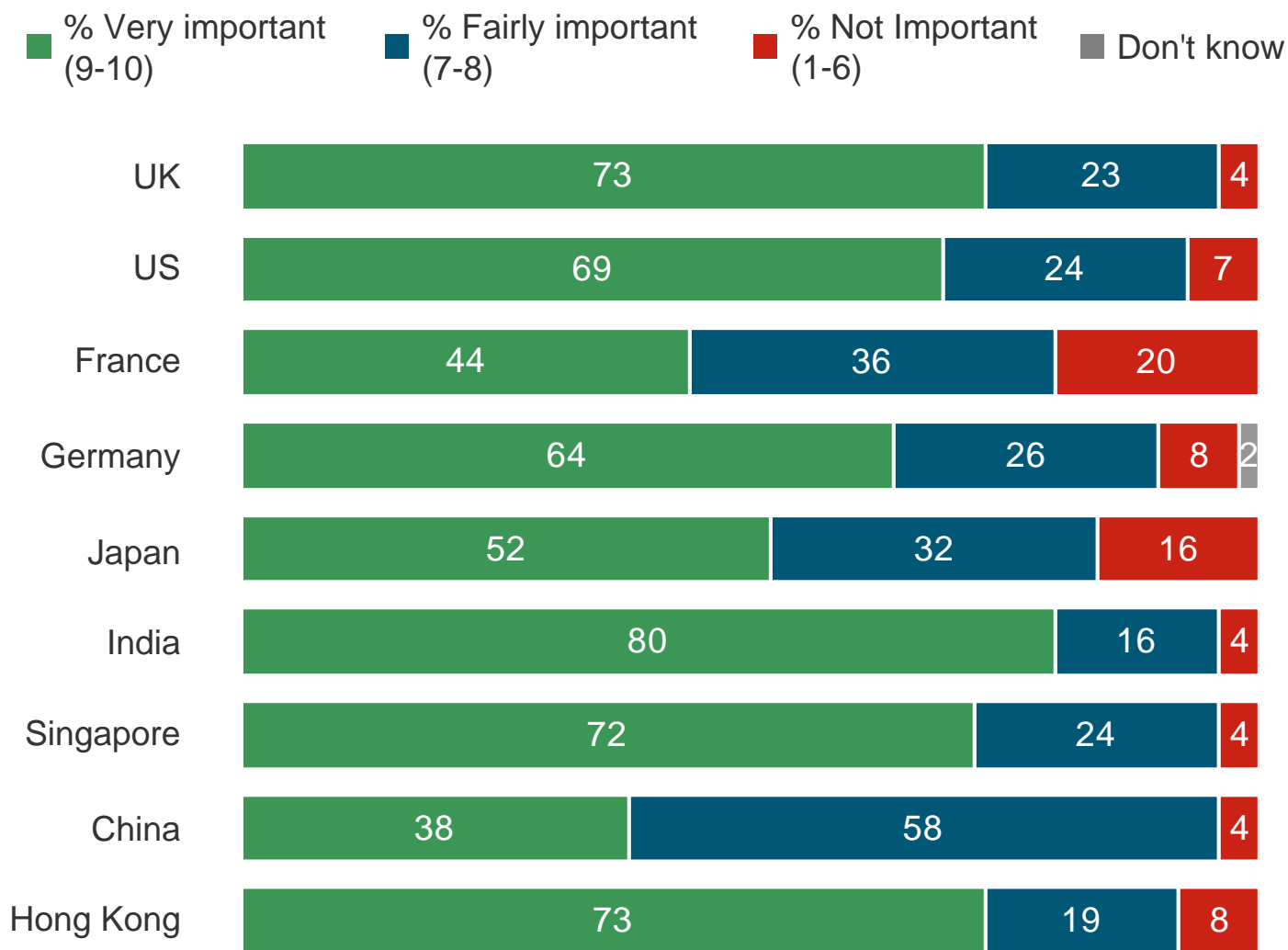


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Disclosures about off-balance sheet entities**

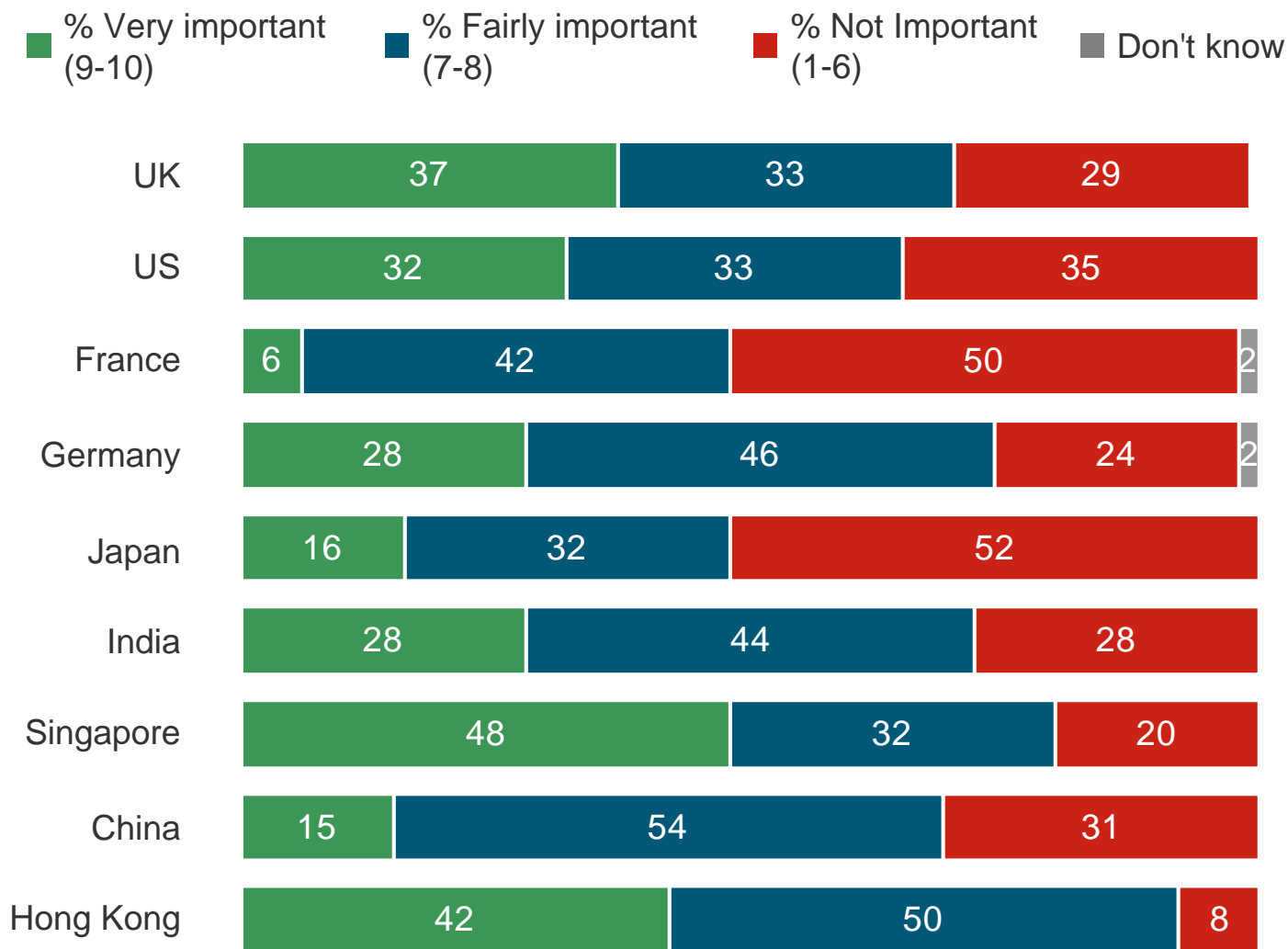


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Compensation/  
incentivisation  
of senior  
executives**

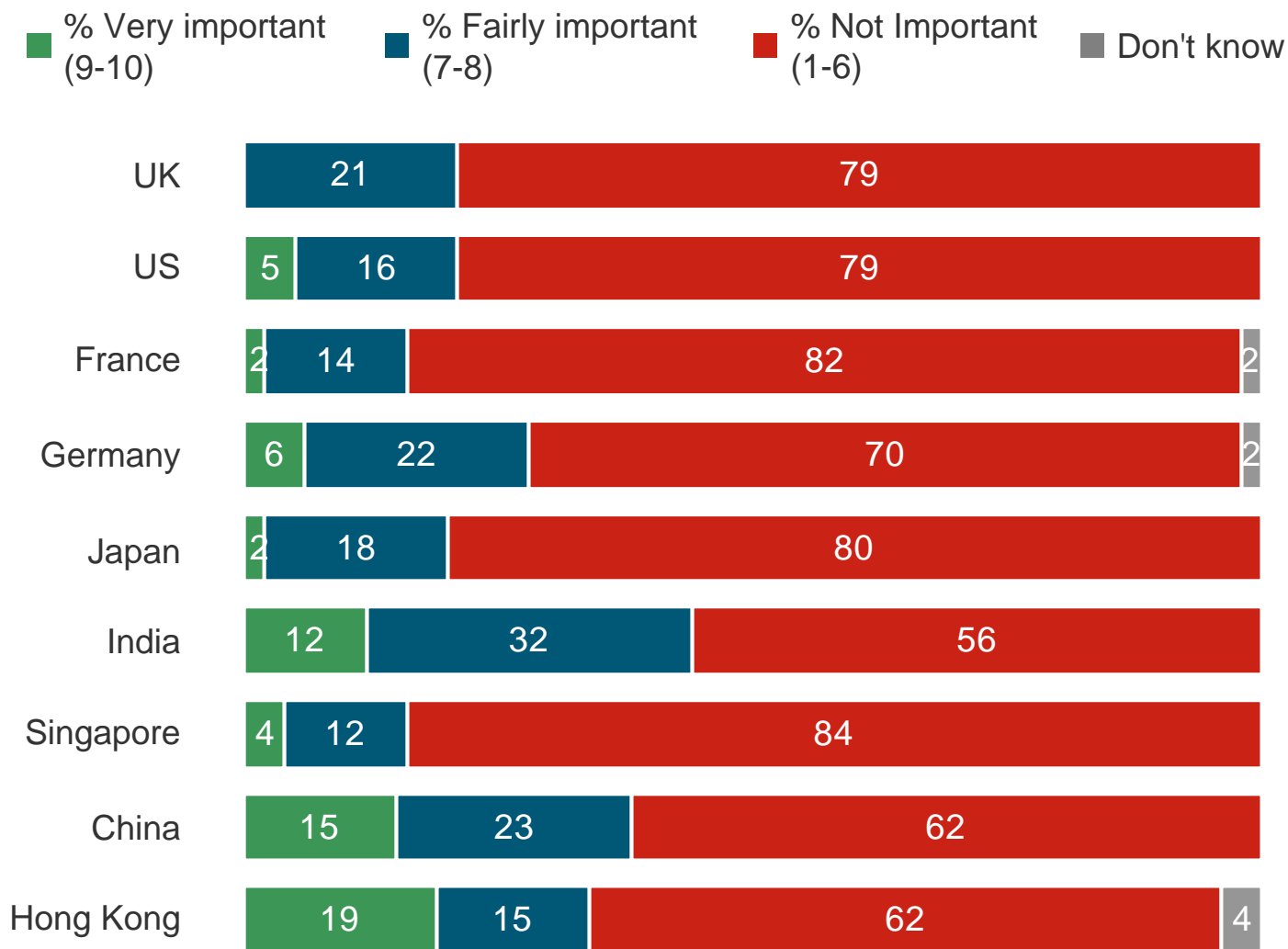


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Sustainability and/or climate change information**



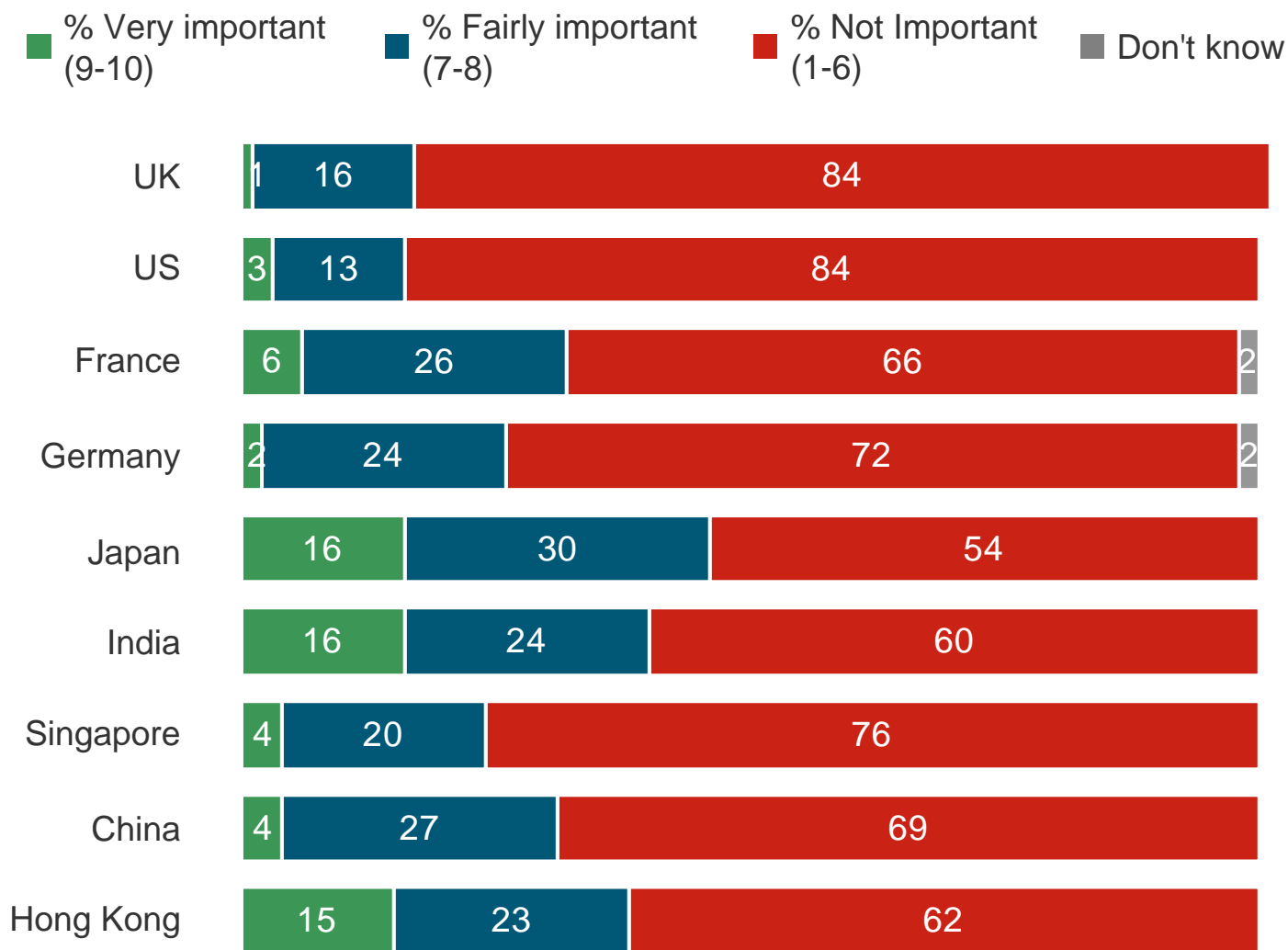
Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)



# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Environmental performance indicators**

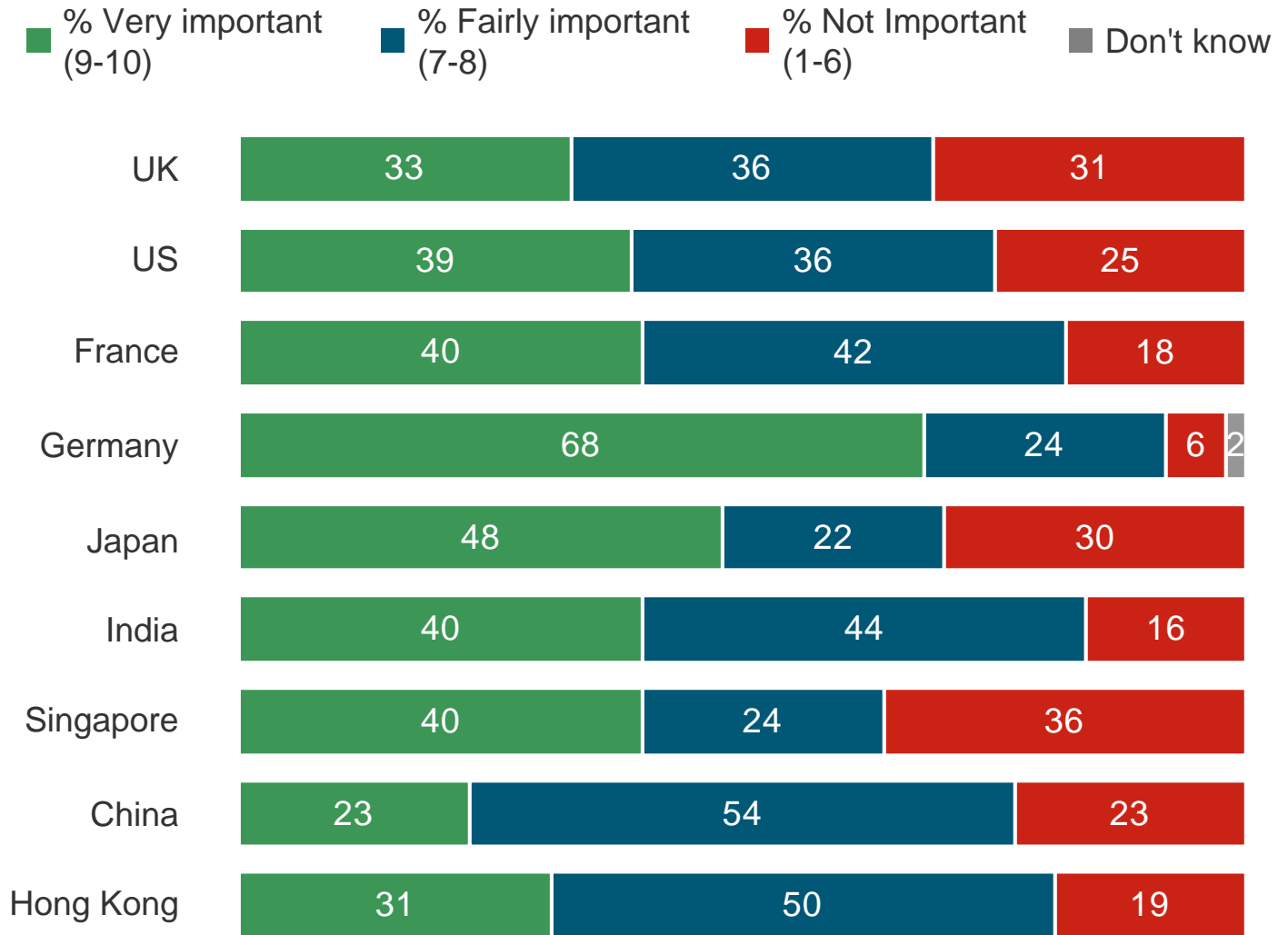


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

**Management's commentary on risks facing the business**

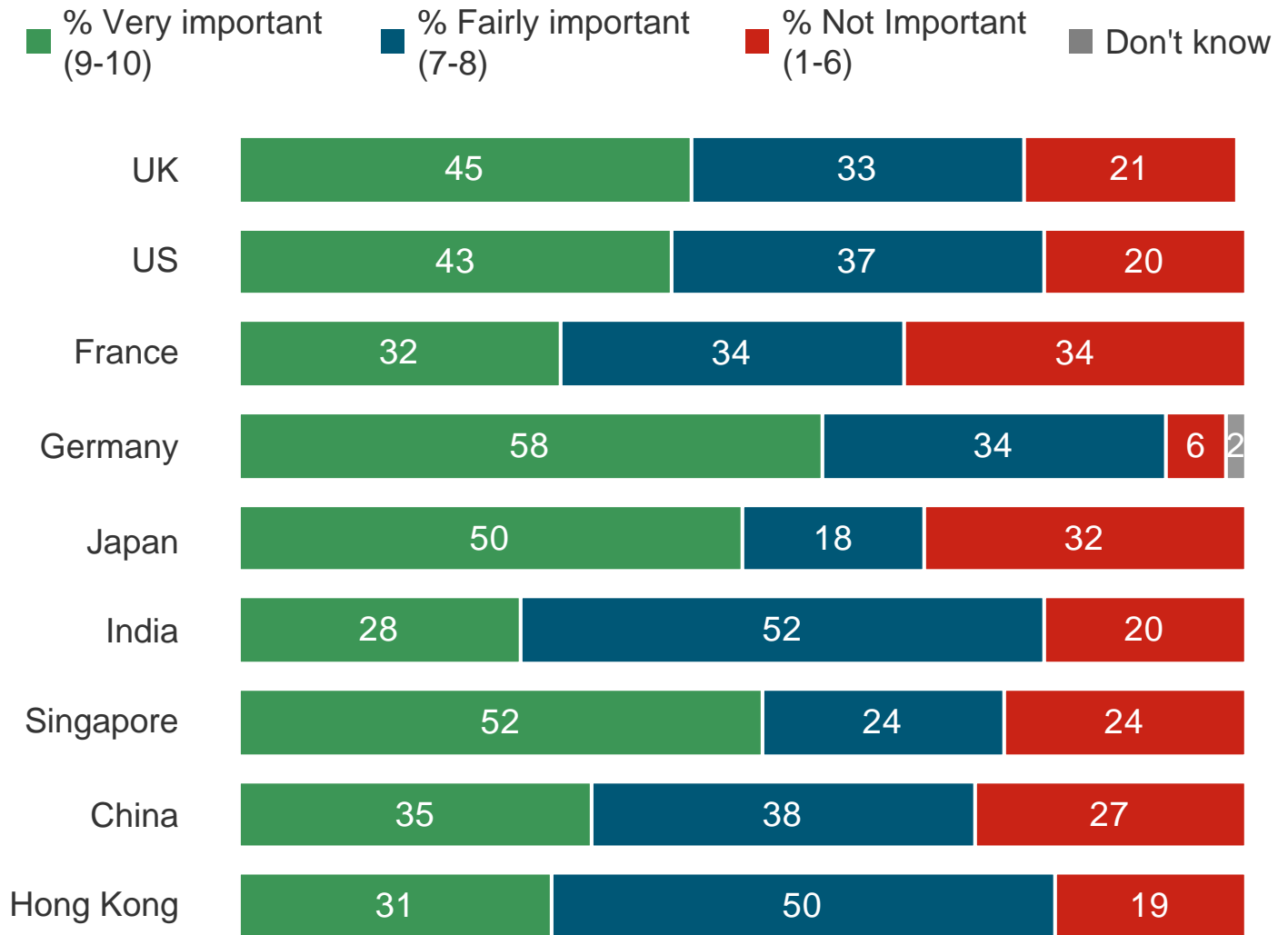


Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Information sources when making judgements (by country)

Q15. How important are the following as a source of information when making judgements about different organisations?

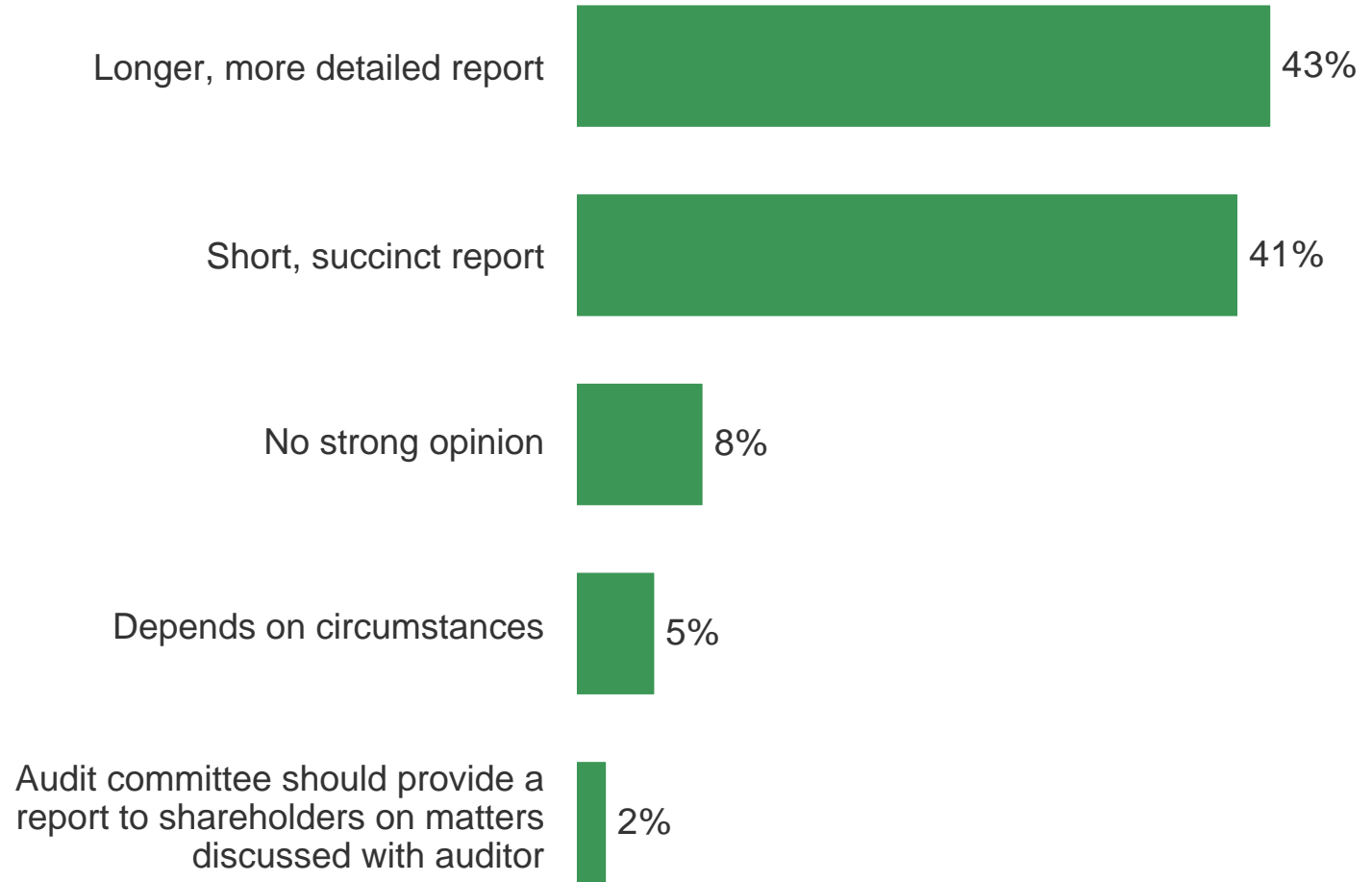
**Management's commentary on the business's performance**



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Audit report length

Q16. Is your preference for the longer or shorter form of an audit report?



Base: all respondents (402)

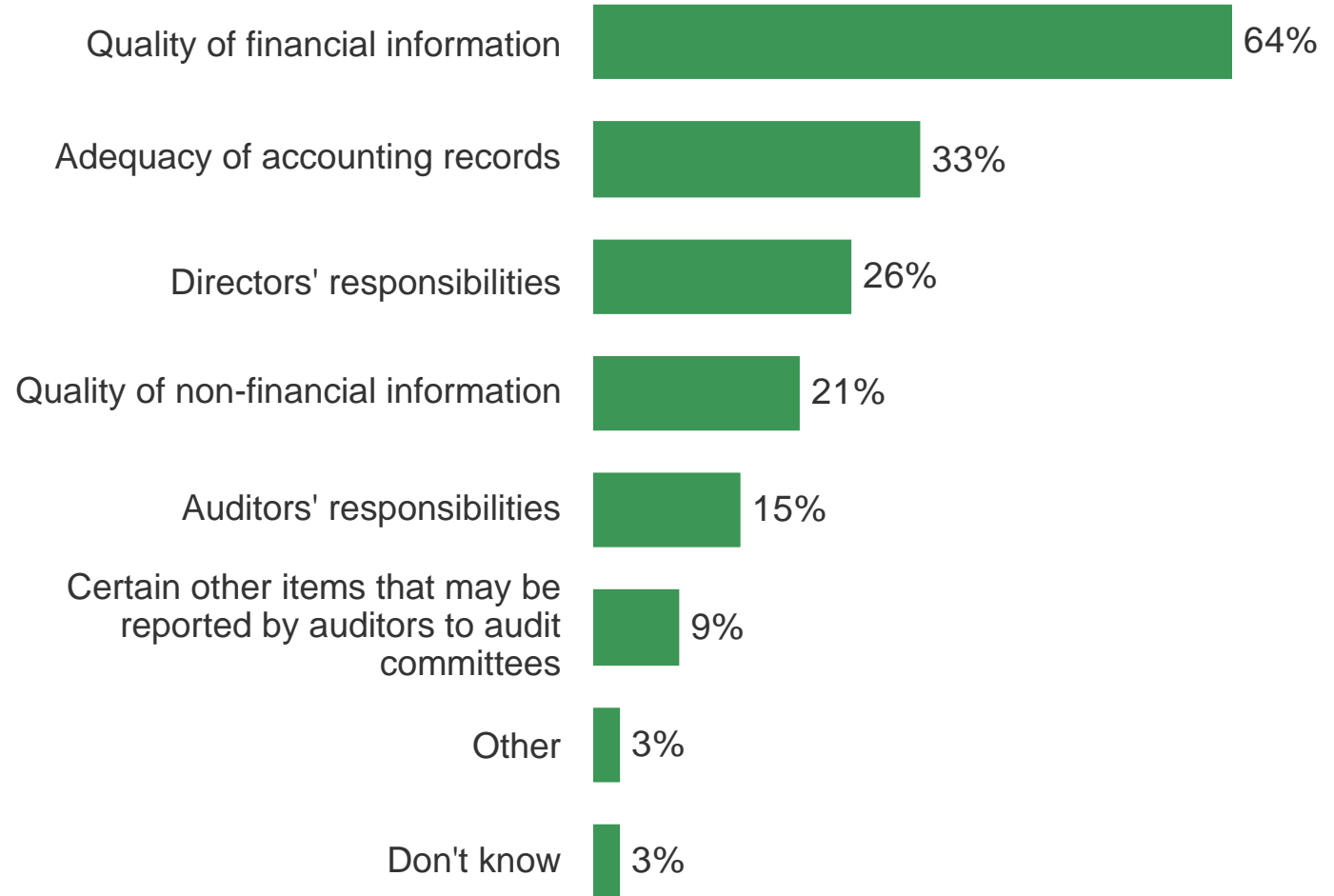
# Audit report length (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
Short, succinct report	41	59	41	48	48	28	24	28	46	12
Longer, more detailed report	43	33	49	40	48	10	60	60	46	77
No strong opinion	8	4	8	4	4	30	4	4	4	4
Depends on circumstances	5	1	1	8	-	18	8	8	4	8
Audit committee should provide a report to shareholders on matters discussed with auditor	2	3	-	-	-	14	4	-	-	-

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Audit reports - most important matters

Q17. If audit reports were to be longer, what would be the most important matters that you would like to see covered? (top mentions)



Respondents could select up to two options  
Base: all respondents (402)

# Audit reports - most important matters (by country)

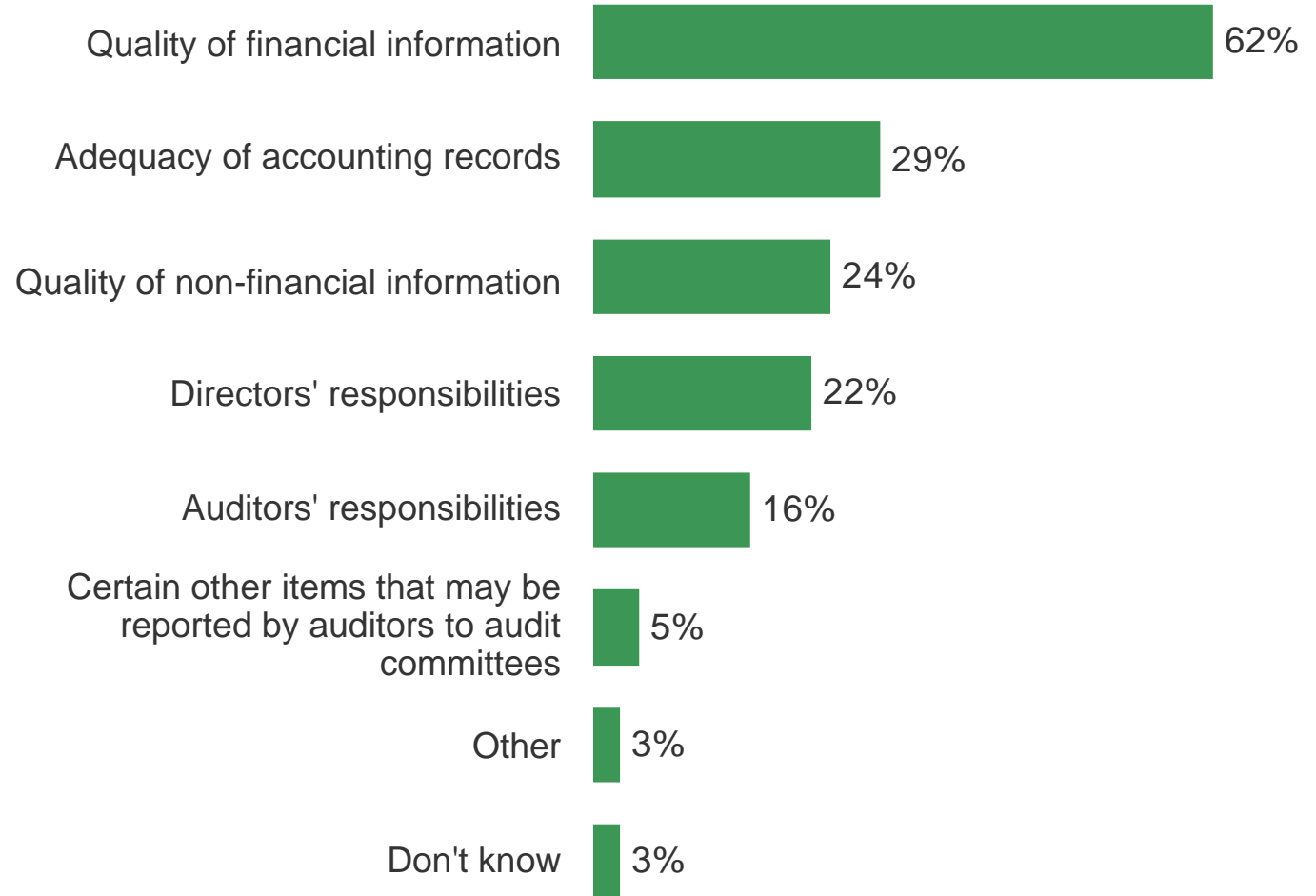
Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
Quality of financial information	64	68	64	70	60	58	60	76	62	54
Adequacy of accounting records	33	28	36	20	26	46	40	48	27	42
Directors' responsibilities	26	17	19	36	48	22	28	8	42	19
Quality of non-financial information	21	9	15	28	36	28	24	24	23	15
Auditors' responsibilities	15	12	9	24	16	26	8	8	19	12
Certain other items that may be reported by auditors to audit committees	9	4	9	4	8	4	16	24	19	15
Other	3	7	4	2	-	-	8	4	-	-
Don't know	3	5	8	-	2	-	-	-	-	4

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Audit reports - most important matters

Q17. If audit reports were to be longer, what would be the most important matters that you would like to see covered? (top mentions)

**Among those that prefer a short, succinct report.**



Respondents could select up to two options

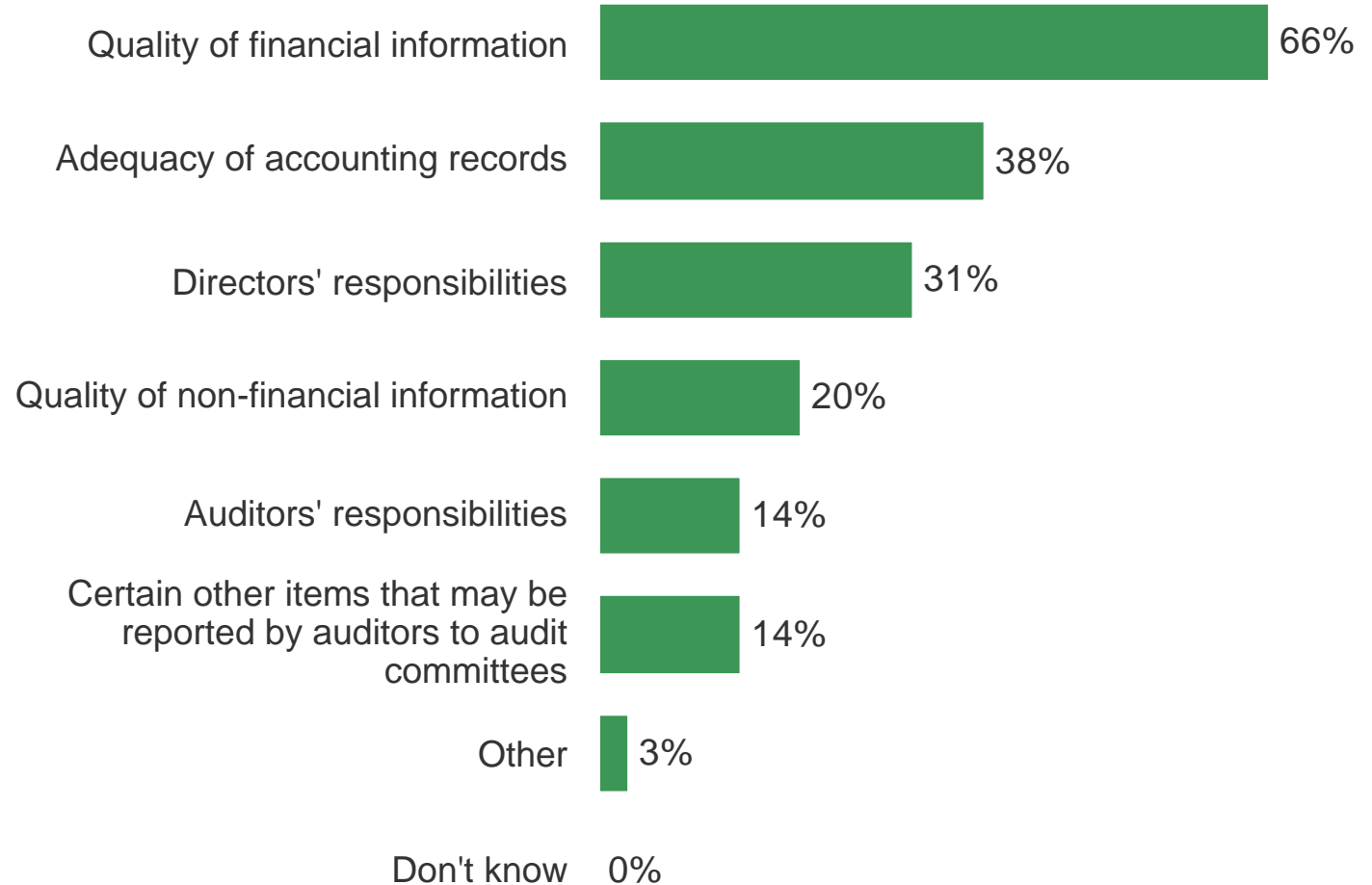
Base: Those that prefer a short, succinct report (165)



# Audit reports - most important matters

Q17. If audit reports were to be longer, what would be the most important matters that you would like to see covered?  
(top mentions)

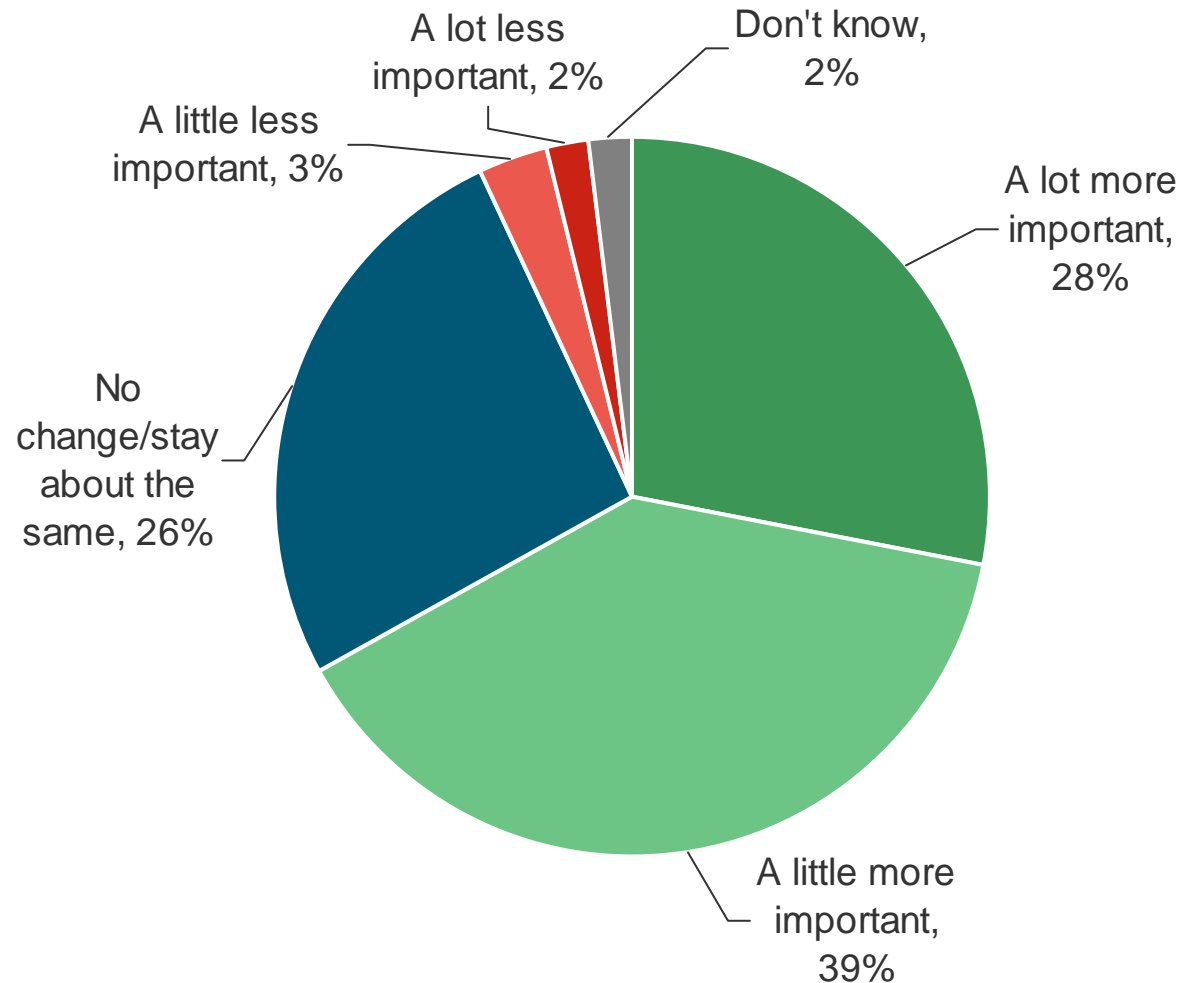
**Among those that prefer a longer, more detailed report.**



Respondents could select up to two options  
Base: Those that prefer a longer report (173)

# Future importance of information about environmental performance

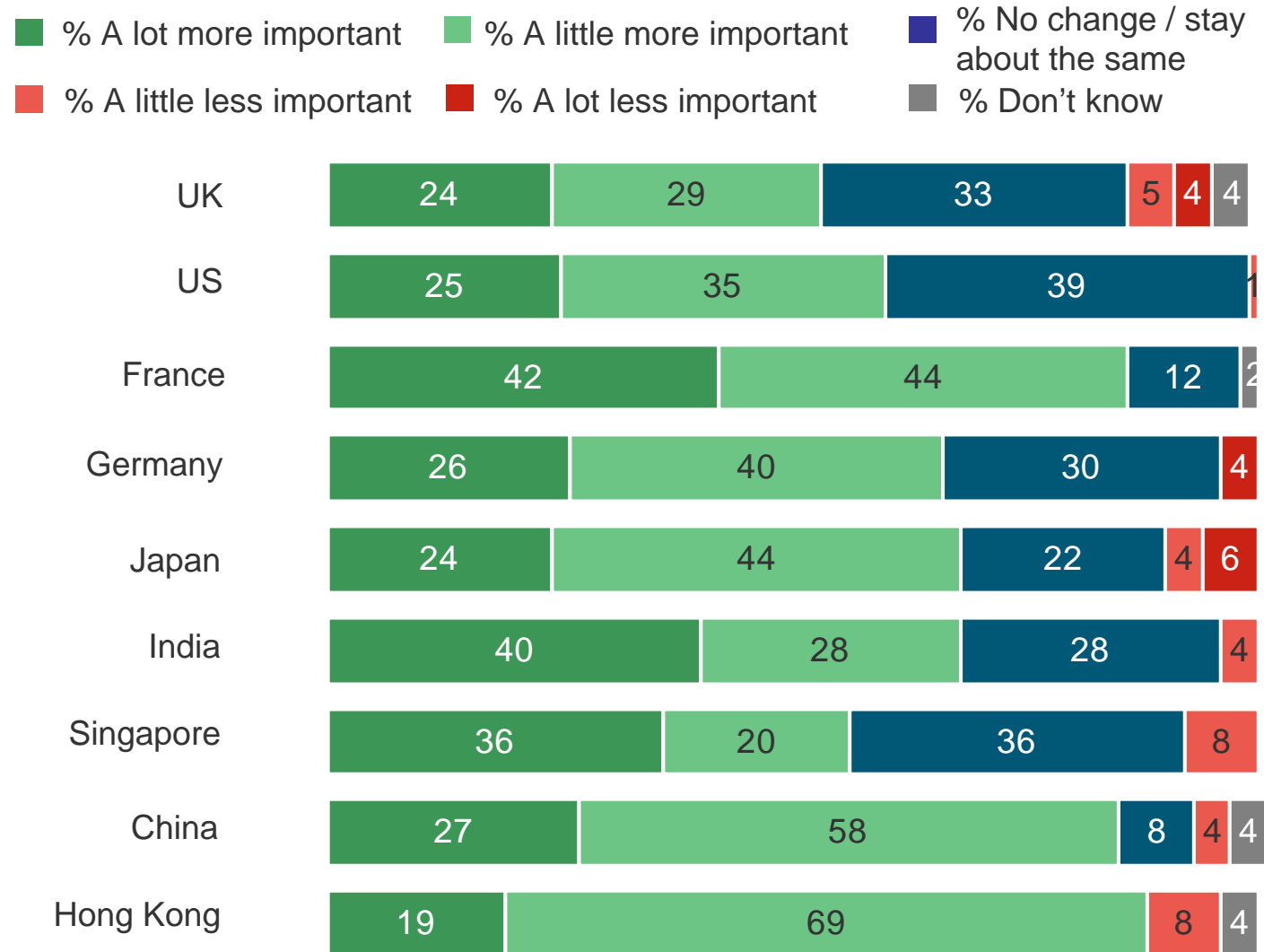
Q18. Thinking about environmental performance reporting, do you believe information about environmental performance will become more important or less important to investors, or will it stay the same over the next 10 years?



Base: all respondents (402)

# Future importance of information about environmental performance (by country)

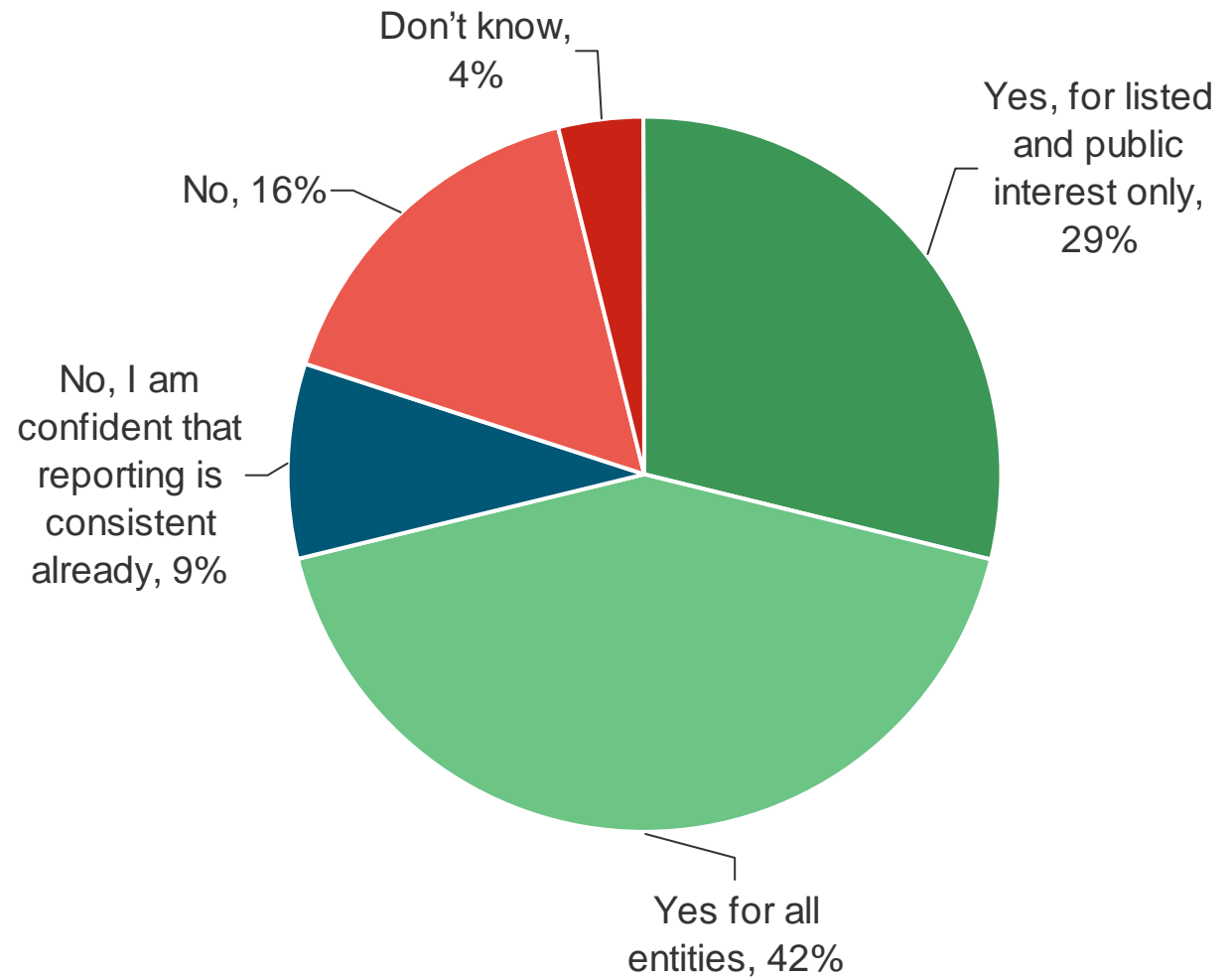
Q18. Thinking about environmental performance reporting, do you believe information about environmental performance will become more important or less important to investors, or will it stay the same over the next 10 years?



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Global set of environmental reporting standards

Q19. Would a globally consistent set of standards on environmental reporting by companies help to improve reporting in this area?



Base: all respondents (402)

# Global set of environmental reporting standards (by Q18)

Q19. Would a globally consistent set of standards on environmental reporting by companies help to improve reporting in this area?

■ % Yes, for listed and public entities only

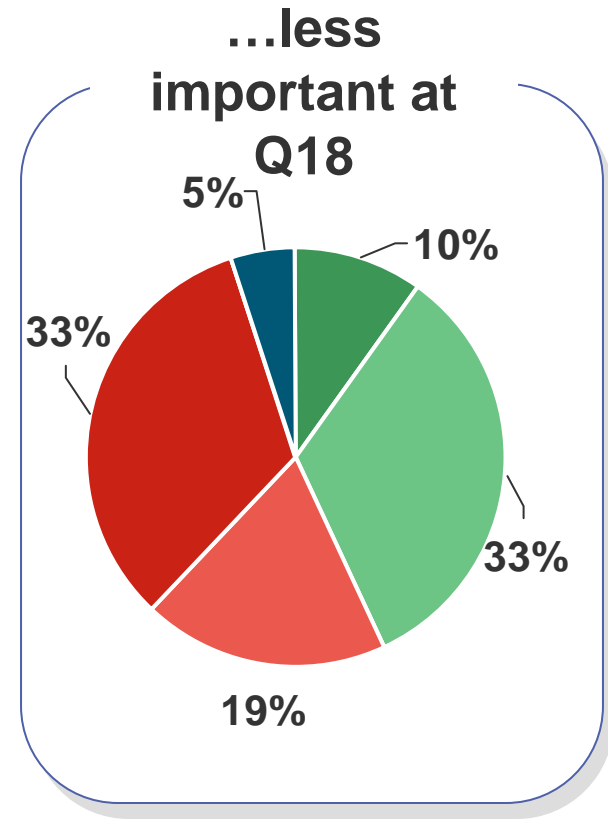
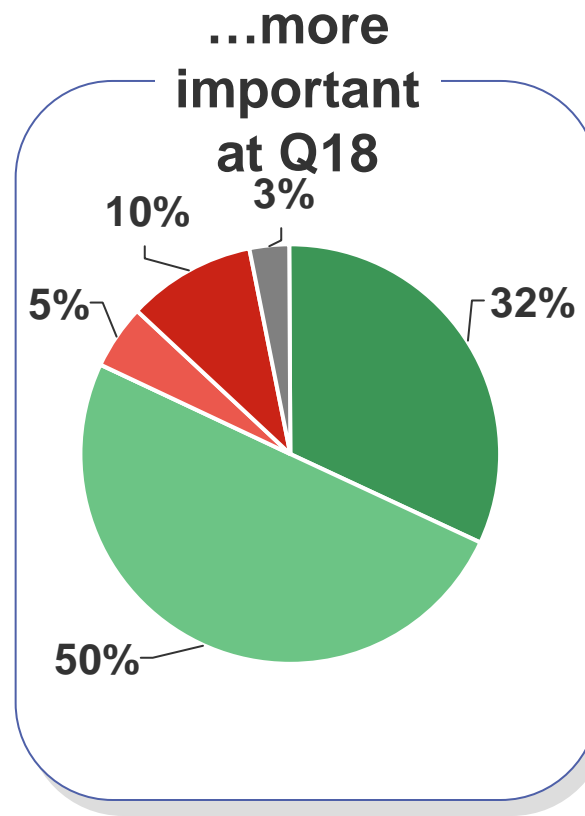
■ % Yes, for all entities

■ % No, I am confident that reporting is consistent already

■ % No

■ % Don't know

■ % Unanswered

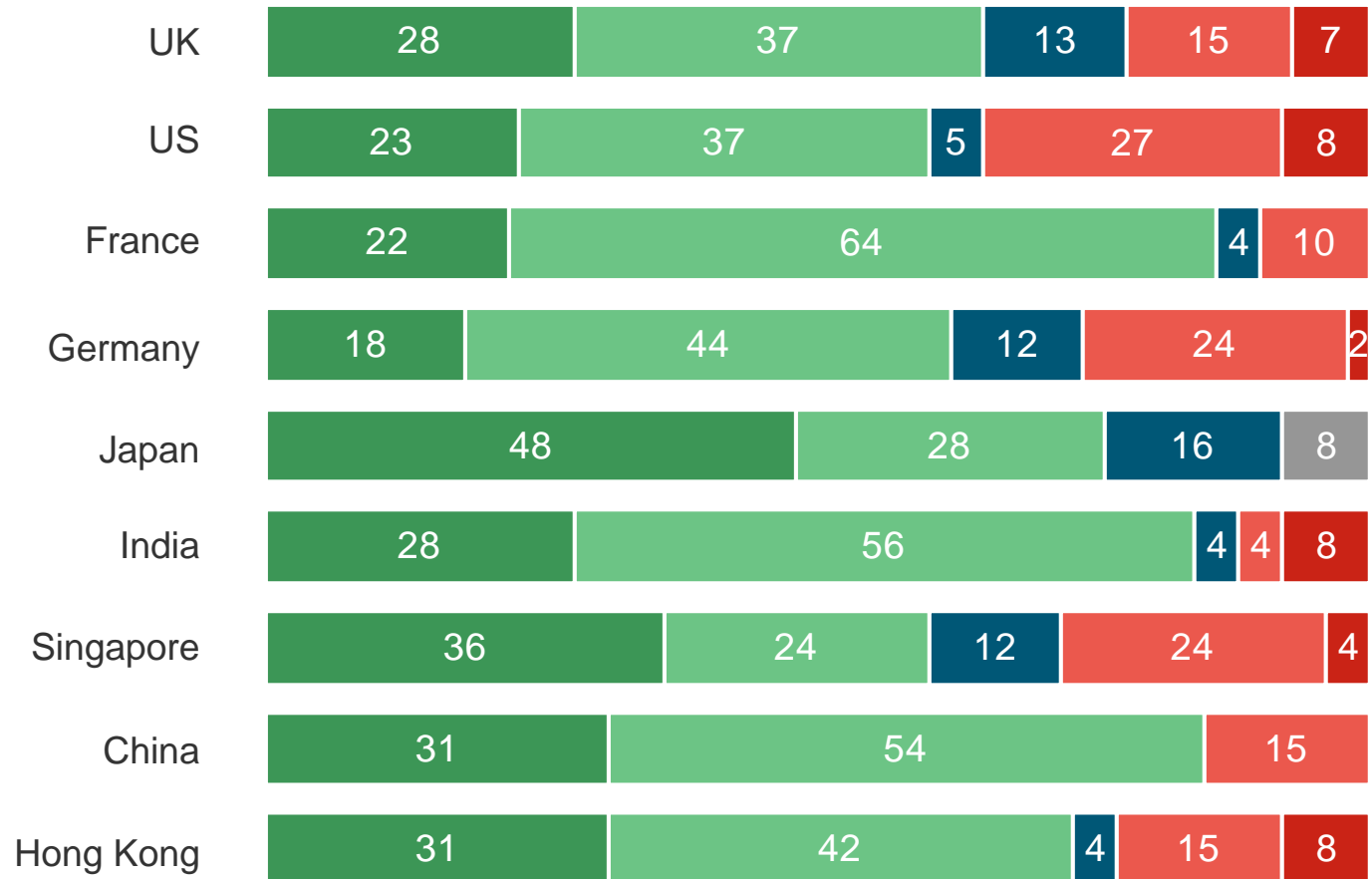


Base: respondents stating information about environmental performance will become: more important (271), less important (21)

# Global set of environmental reporting standards (by country)

Q19. Would a globally consistent set of standards on environmental reporting by companies help to improve reporting in this area?

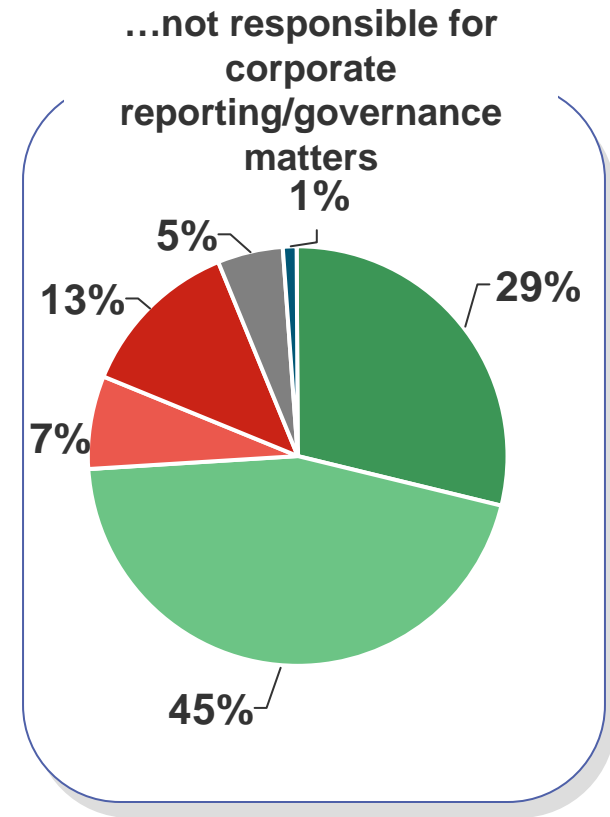
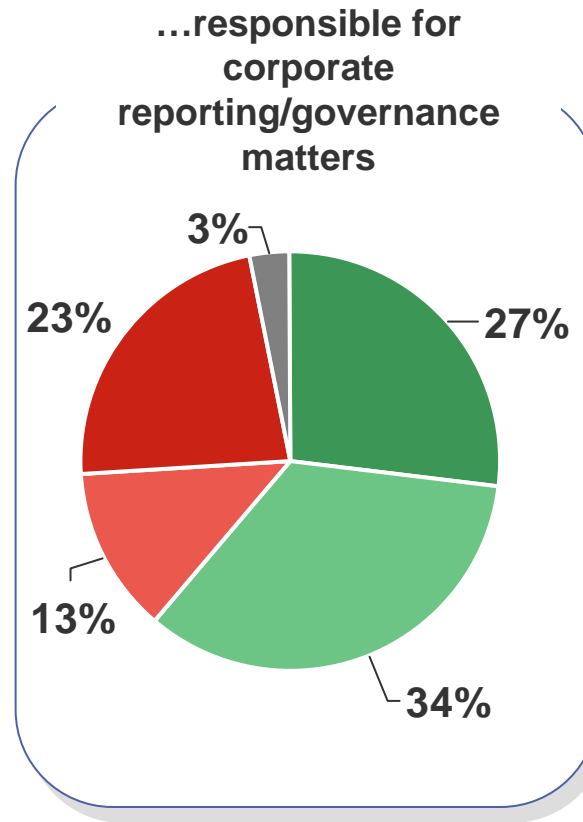
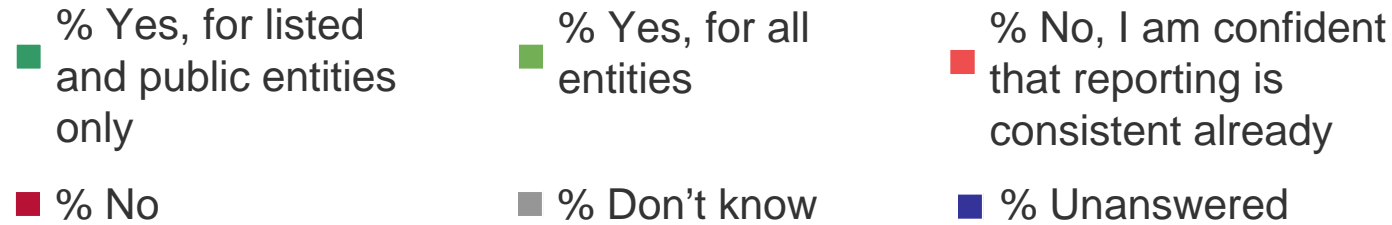
■ % Yes for listed and public interest entities only    
 ■ % Yes, for all entities    
 ■ % No, I am confident that reporting is consistent already  
■ % No    
 ■ % Don't know    
 ■ % Unanswered



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Global set of environmental reporting standards (by responsibility)

Q19. Would a globally consistent set of standards on environmental reporting by companies help to improve reporting in this area?



Base: responsible for corporate reporting/governance matters (100), not responsible for corporate reporting/governance matters (301)



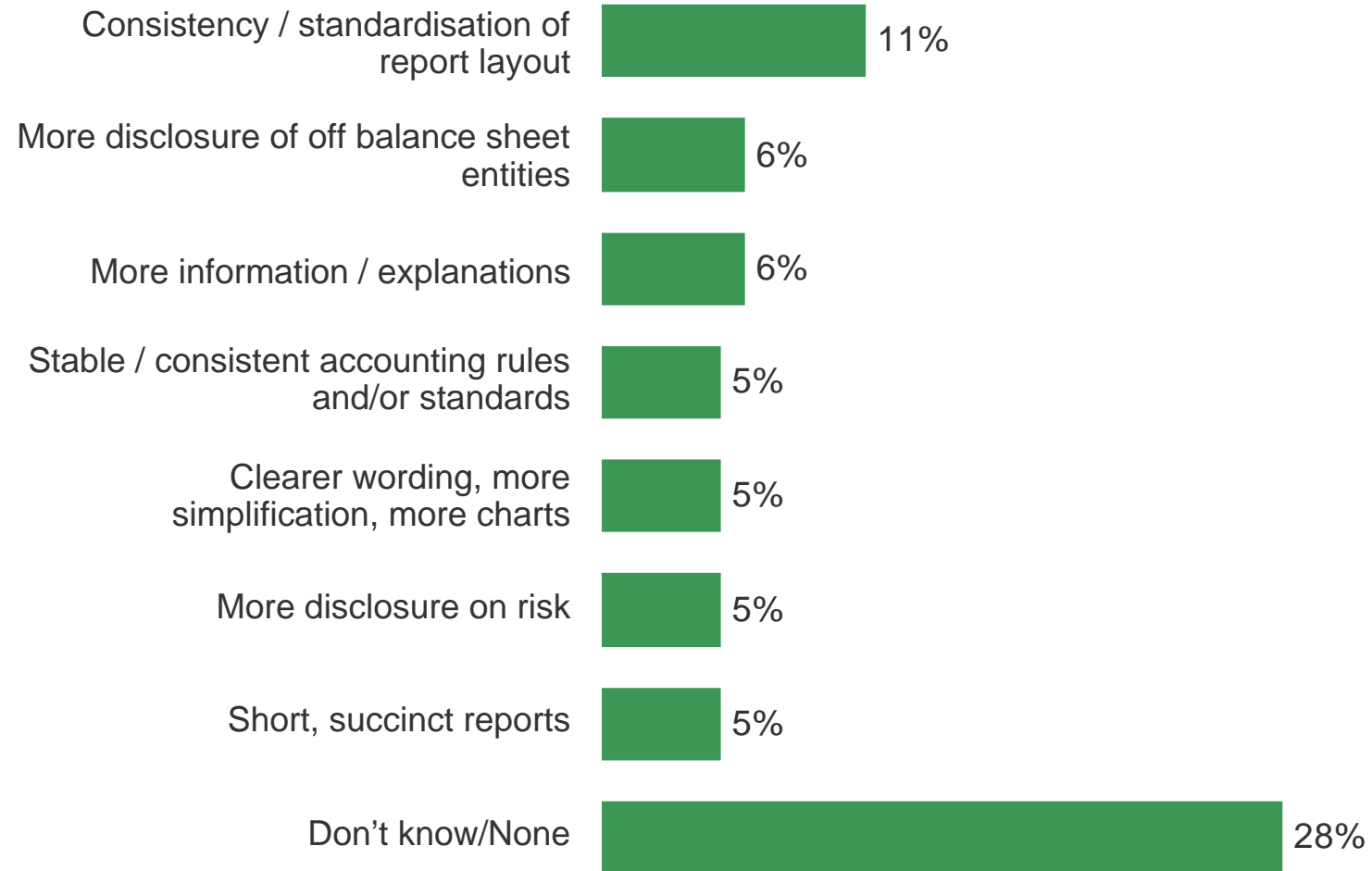
FINANCIALS [NOTES ON THE FINANCIAL STATEMENTS]					
FOR THE YEAR ENDED 30 SEPTEMBER 2007					
	2006 N\$ '000	2007 N\$ '000	2006 N\$ '000	2007 N\$ '000	
<b>1 (PROPERTY, PLANT AND EQUIPMENT)</b>					
Year ended 31 August 2006	434,486	43,413	97,379	67	
Opening carrying amount	(120)	179	2,808	-	
Additions	-	(58)	(25)	-	
Disposals	4,436	-	2,731	-	
Transfers	(32,056)	(8,922)	(17,492)	(67)	
Depreciation					
Closing carrying amount	<b>406,761</b>	<b>34,552</b>	<b>89,631</b>	-	
At 31 August 2006	805,482	93,647	190,360	1,962	
Cost or valuation	(118,741)	(60,895)	(154,729)	(1,742)	
Accumulated depreciation					
Carrying amount	<b>406,761</b>	<b>34,552</b>	<b>85,631</b>	-	
Year ended 31 August 2004	449,044	52,537	105,342	308	
Opening carrying amount	430	212	8,748	-	
Additions	-	-	(31)	-	
Disposals	14,082	-	3,573	-	

# Corporate Reporting



# Suggestions to make corporate reporting more transparent

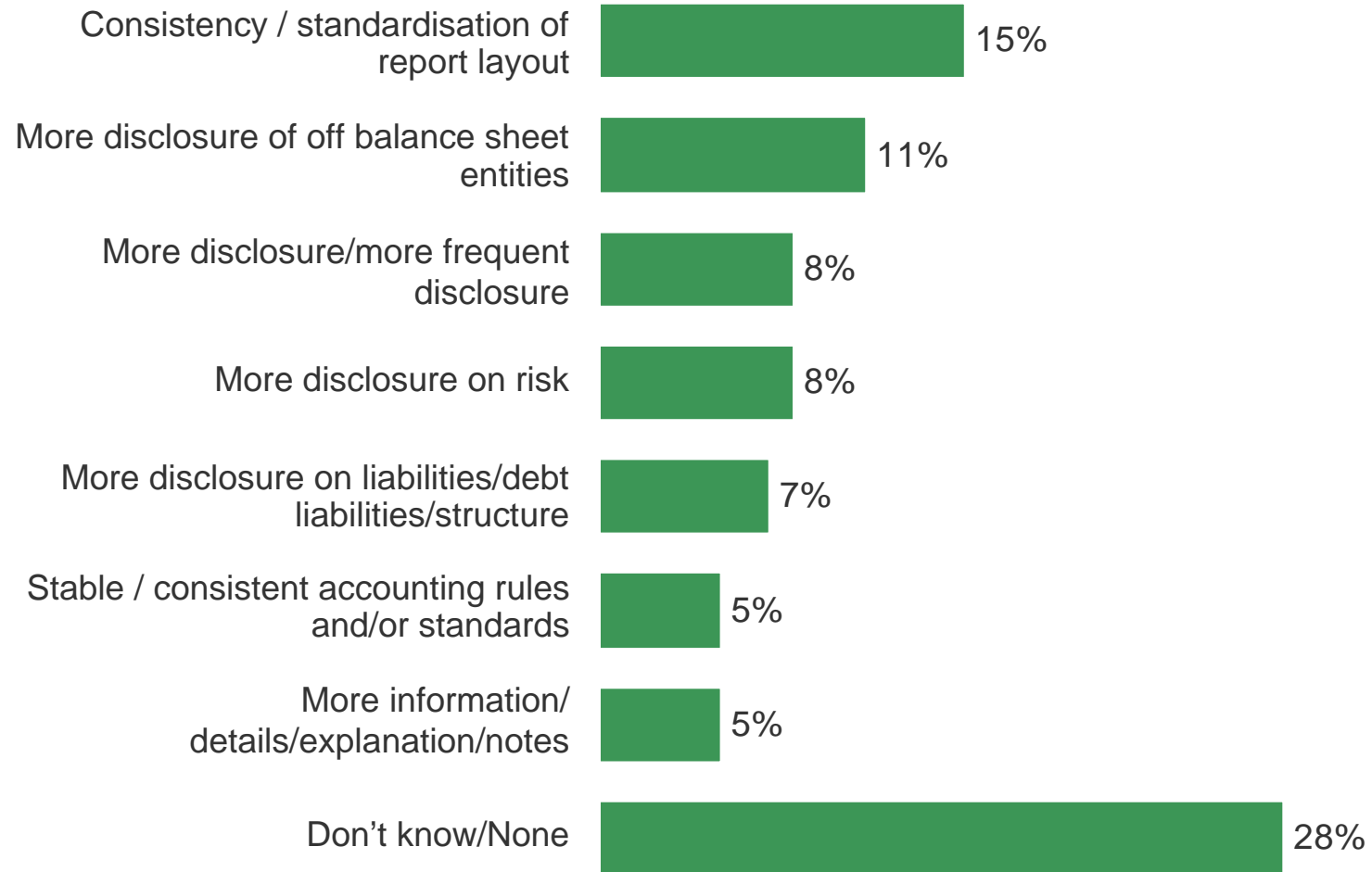
Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: all respondents (402)

# Suggestions to make corporate reporting more transparent - UK

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)

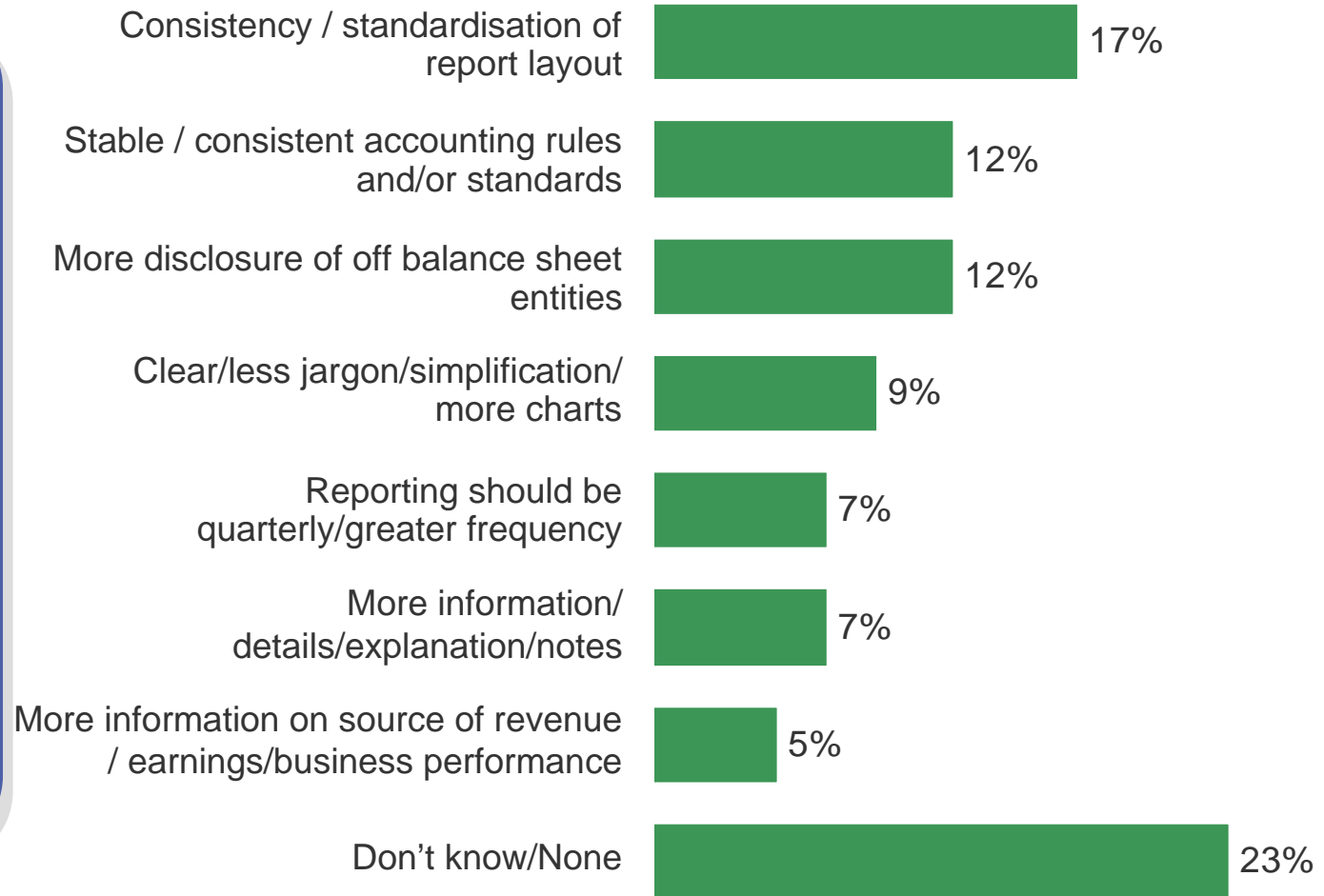


Respondents could state more than one response

Base: UK (75)

# Suggestions to make corporate reporting more transparent - US

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response

Base: US (75)

# Suggestions to make corporate reporting more transparent - France

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: France (50)

# Suggestions to make corporate reporting more transparent - Germany

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: Germany (50)

# Suggestions to make corporate reporting more transparent - Japan

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: Japan (50)

# Suggestions to make corporate reporting more transparent - India

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response

Base: India (25)

# Suggestions to make corporate reporting more transparent - Singapore

Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)

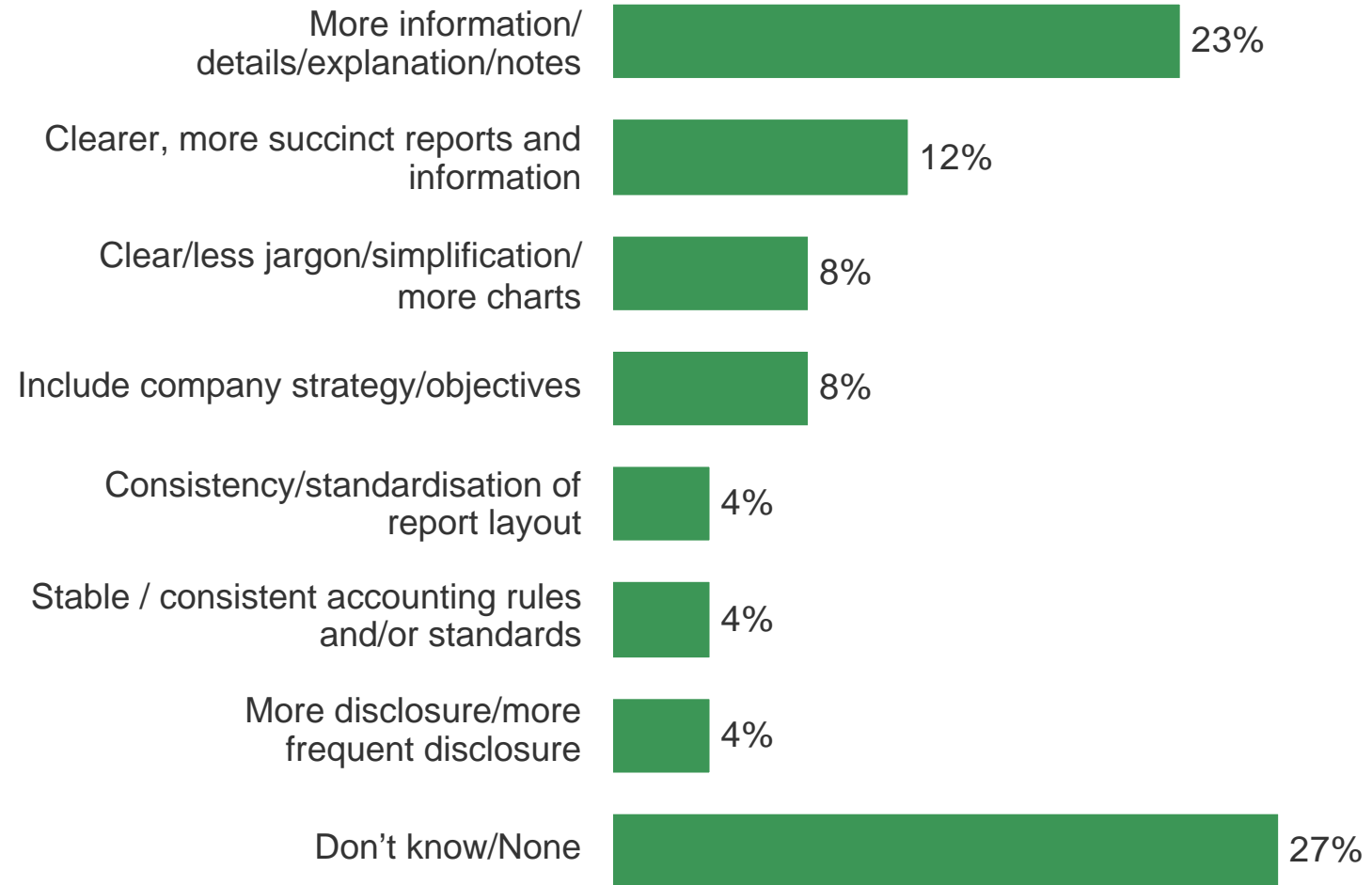


Respondents could state more than one response  
Base: Singapore (25)



# Suggestions to make corporate reporting more transparent - China

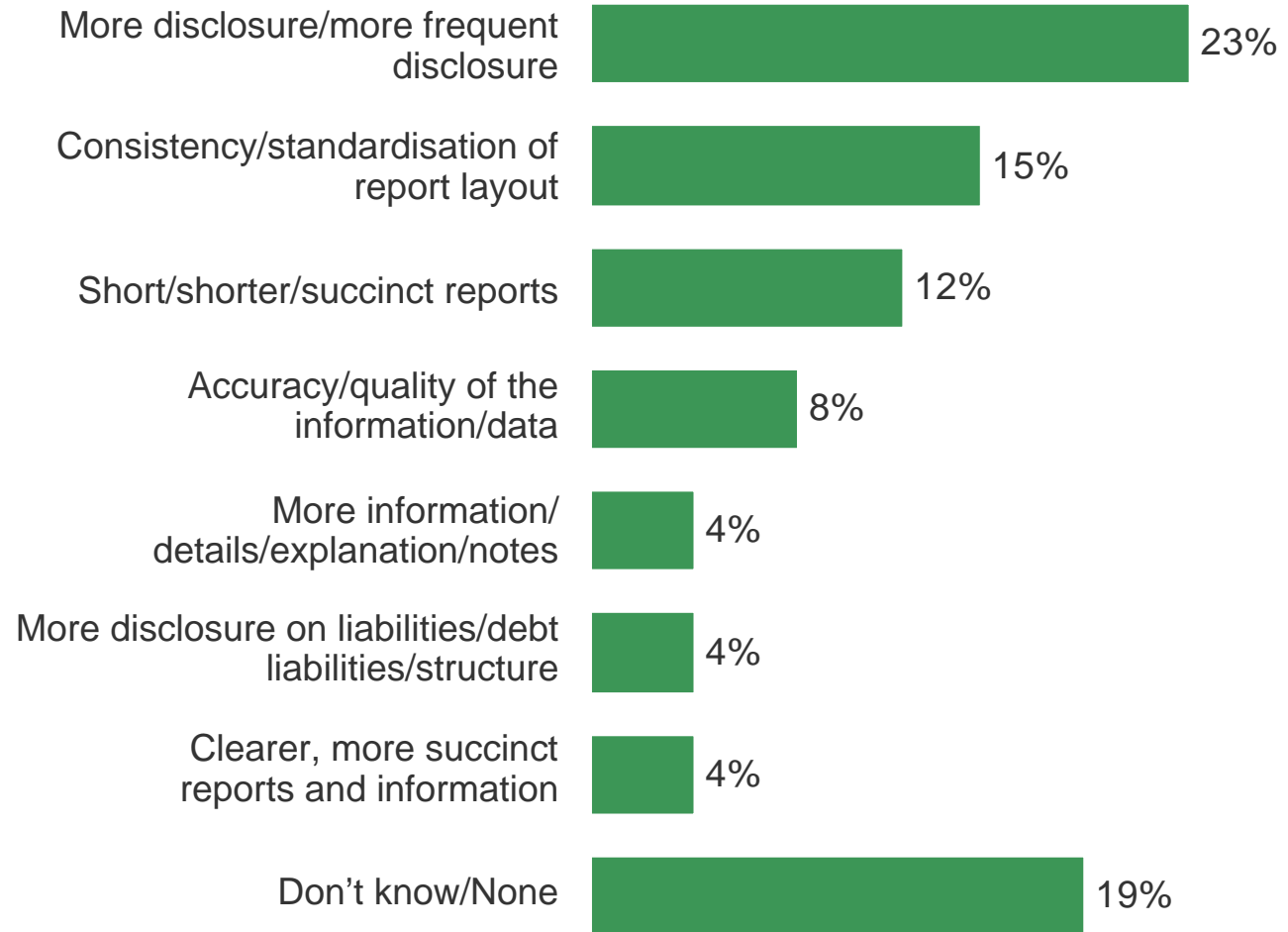
Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: China (26)

# Suggestions to make corporate reporting more transparent - Hong Kong

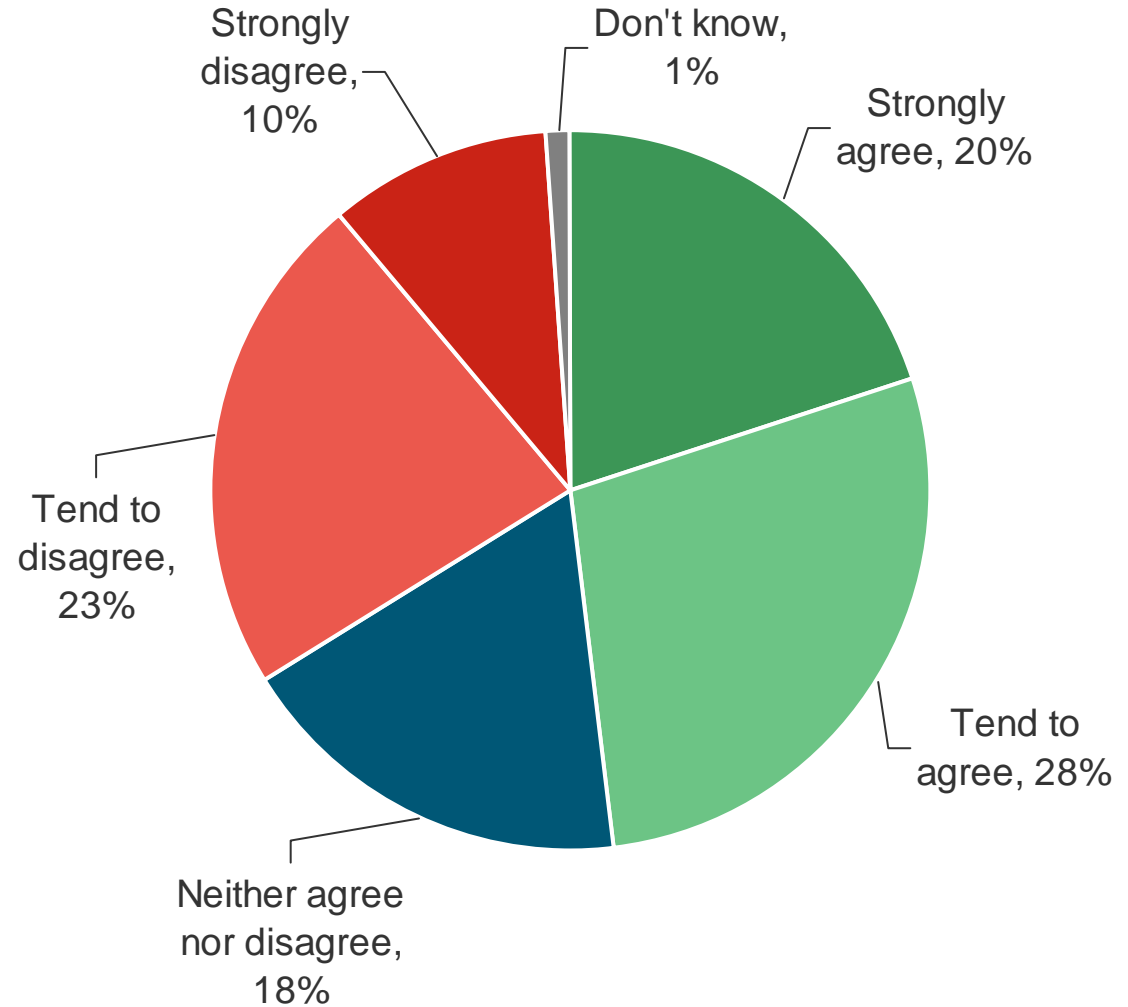
Q20. Top three suggestions for how corporate reporting can be made more transparent and easier for users to understand without resorting to excessive disclosure? (top mentions)



Respondents could state more than one response  
Base: Hong Kong (26)

# Length of corporate reporting

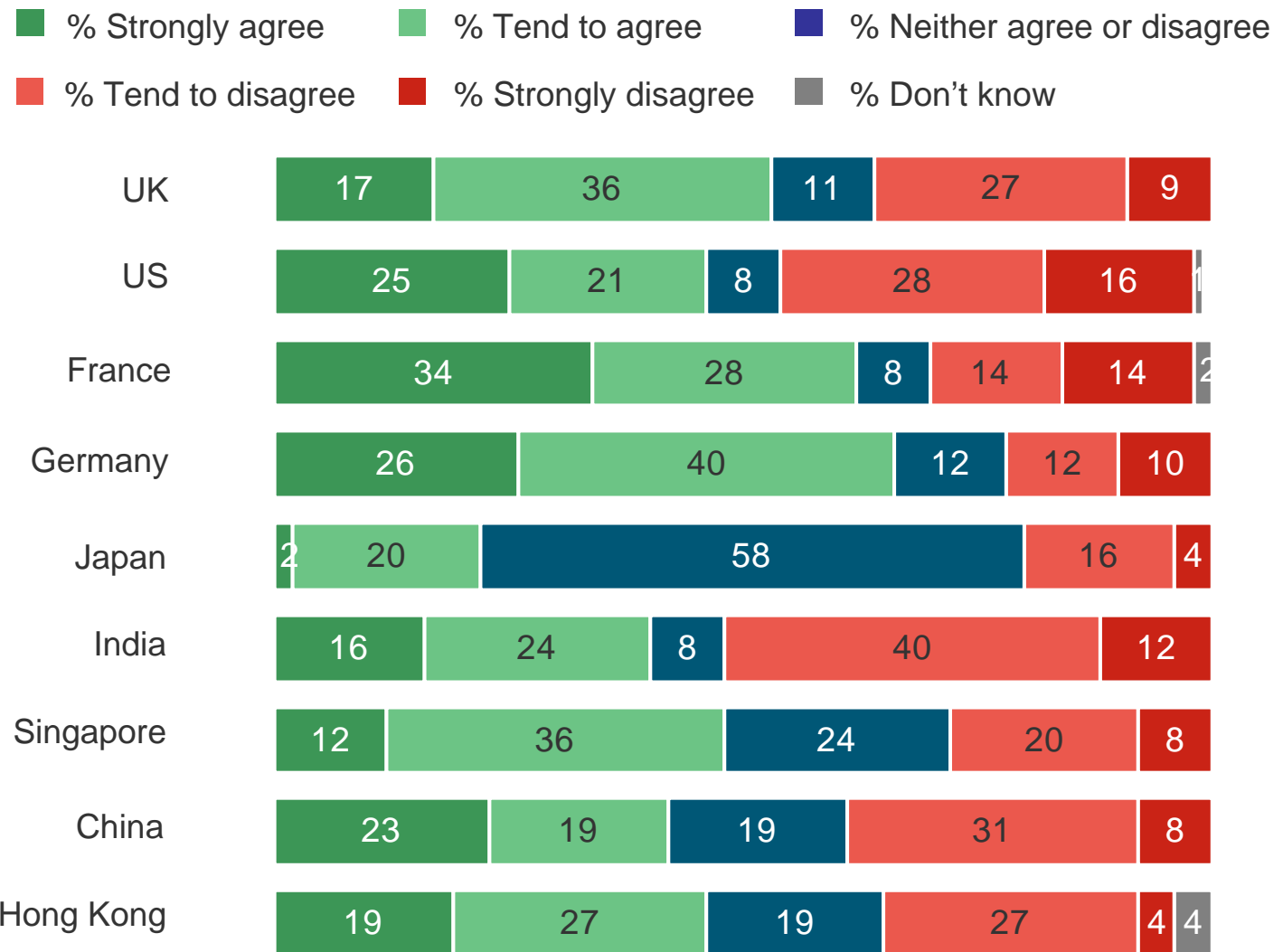
Q21. Some people have expressed concerns that corporate reporting has become too voluminous, resulting in a lack of clarity and useful information for investors. To what extent do you agree or disagree that this is the case?



Base: all respondents (402)

# Length of corporate reporting (by country)

Q21. Some people have expressed concerns that corporate reporting has become too voluminous, resulting in a lack of clarity and useful information for investors. To what extent do you agree or disagree that this is the case?



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Corporate reporting information that can be dropped

Q22. What information could be dropped without a loss of value? (top mentions)



Respondents could state more than one response  
Base: those who agree corporate reporting has become too voluminous (195)

# Corporate reporting information that can be dropped (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
Unnecessary / unimportant information	10	8	6	19	6	18	10	8	18	8
Generally shorter and more succinct	10	5	17	16	15	-	-	-	9	-
Information on accounting standards	4	5	-	10	3	-	10	-	9	-
Corporate governance / share ownership information	4	13	3	-	-	-	-	-	9	-
Environmental / sustainability information	3	10	3	-	3	-	-	-	-	-
Social / economic data	3	5	3	6	3	-	-	-	-	-
Management report/speeches	3	3	3	6	3	-	-	8	-	-
History/historical	3	3	3	10	-	-	-	-	-	-

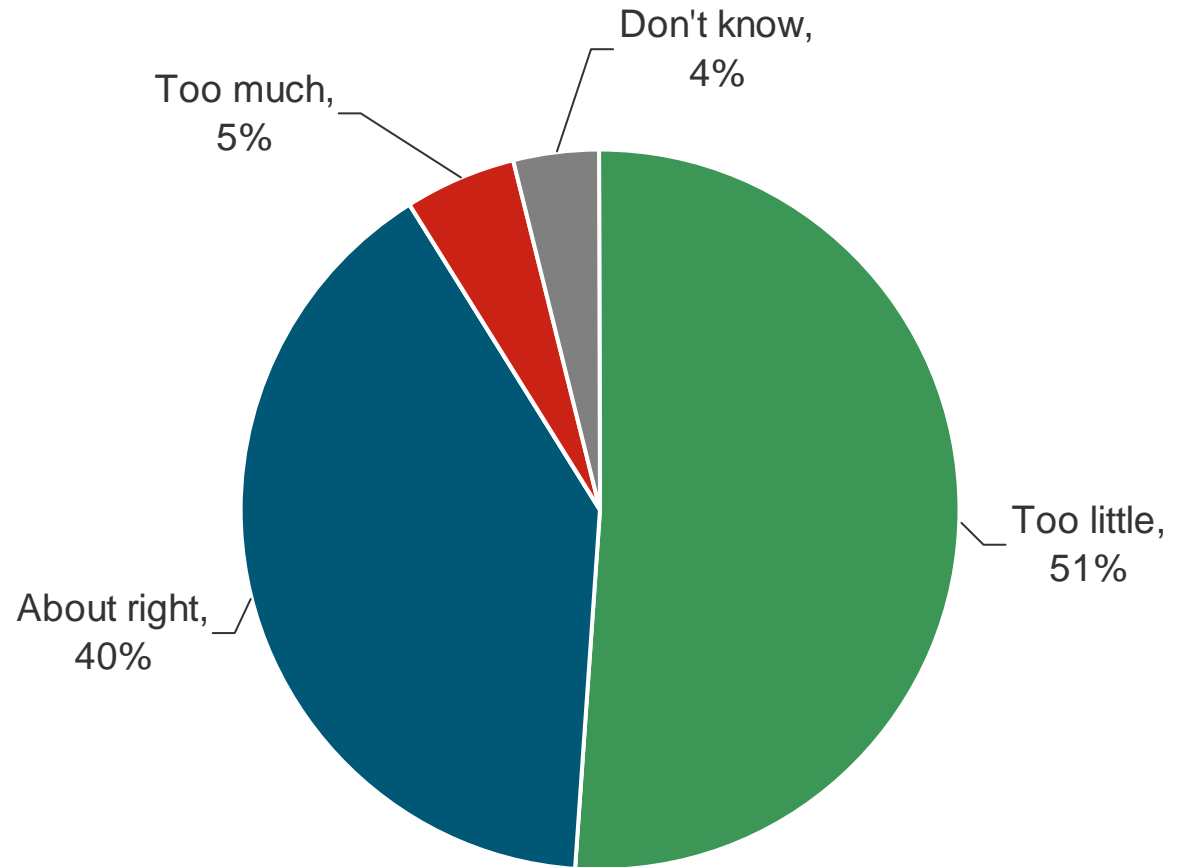
Base: UK (40), US(35), France (31), Germany (33), Japan (11), India (10), Singapore (12), China (11), Hong Kong (12)



# Risk management and internal controls

# Disclosure around existence and management of risk

Q23. Would you say that the amount of disclosure around the existence and management of risk in corporate reports is currently...?



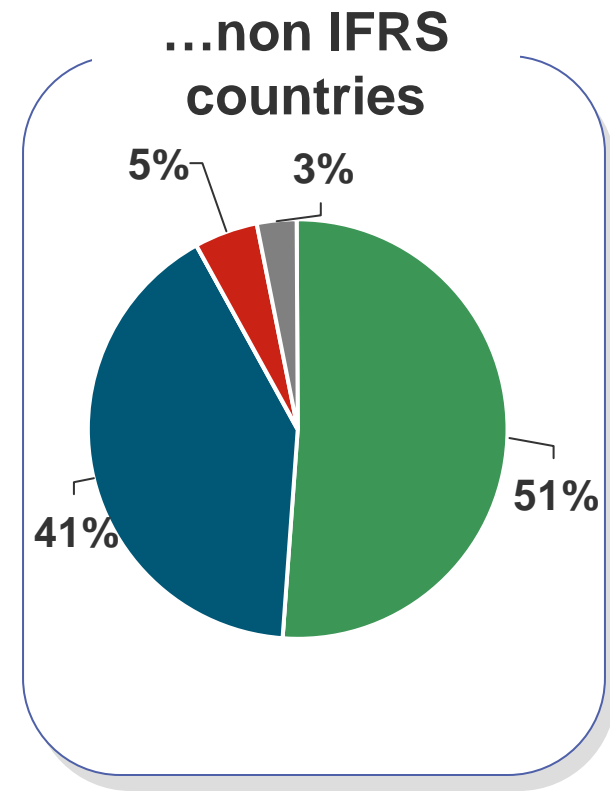
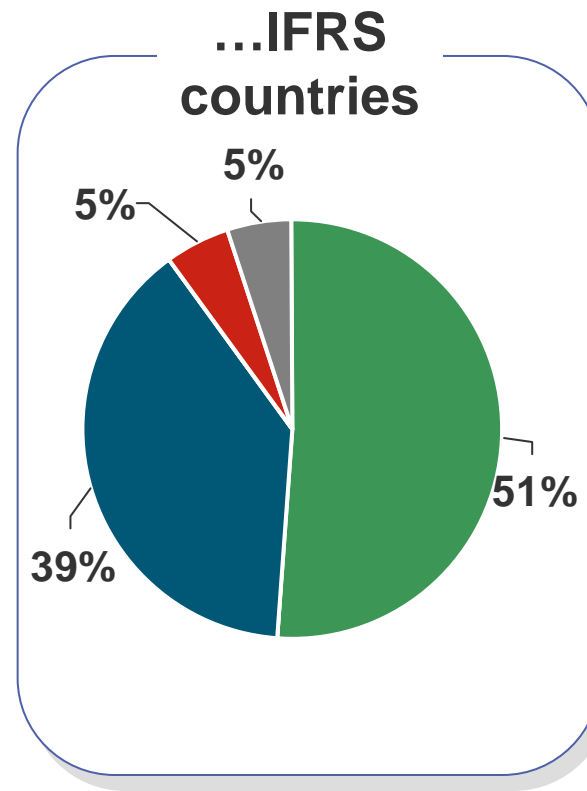
Base: all respondents (402)



# Disclosure around existence and management of risk

Q23. Would you say that the amount of disclosure around the existence and management of risk in corporate reports is currently...?

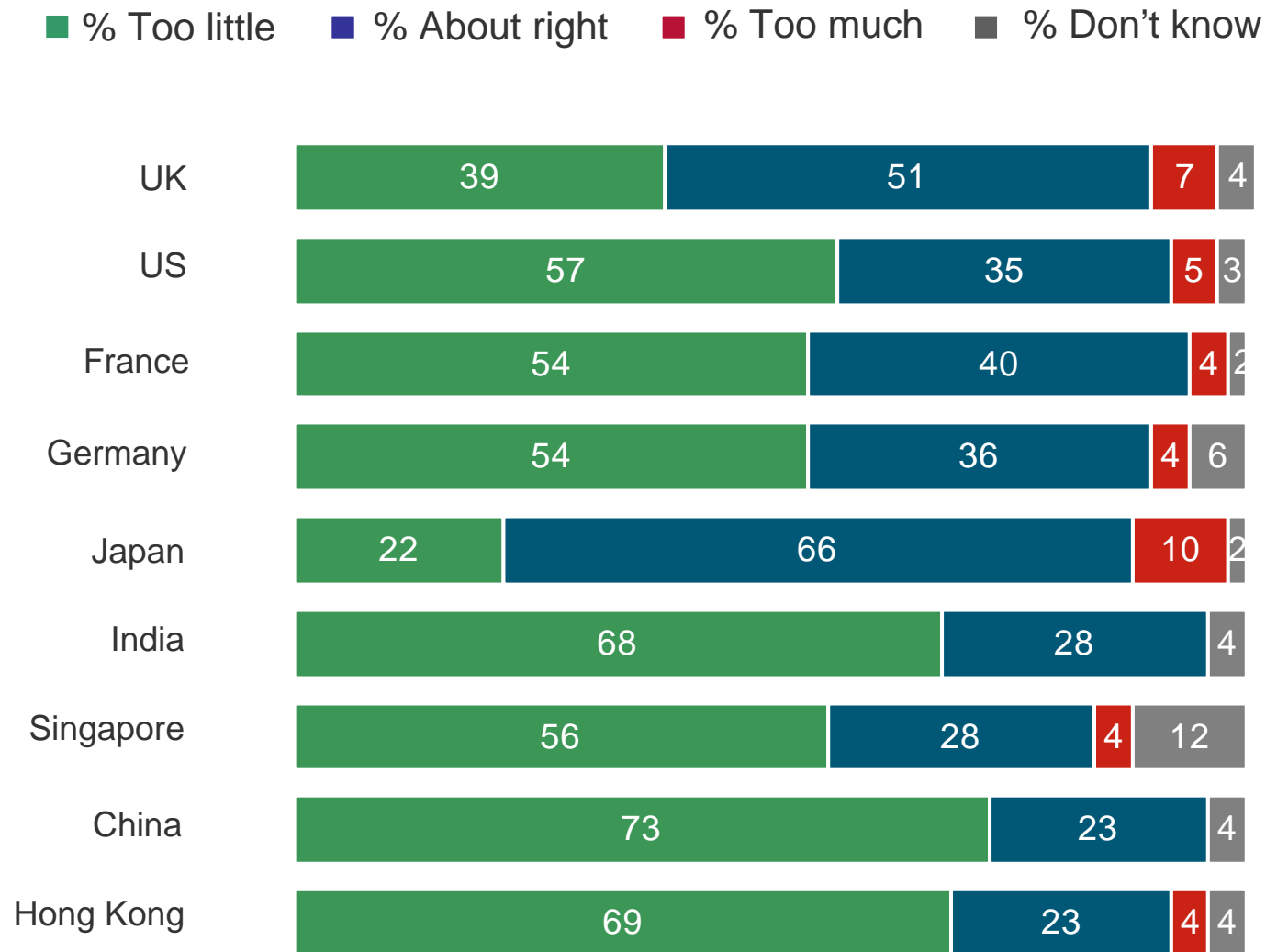
■ % Too little   ■ % About right   ■ % Too much   ■ % Don't know



Base: countries applying IFRS: UK, France, Germany, Hong Kong, Singapore (226), countries not applying IFRS: US, Japan, China, and India (176)

# Disclosure around existence and management of risk (by country)

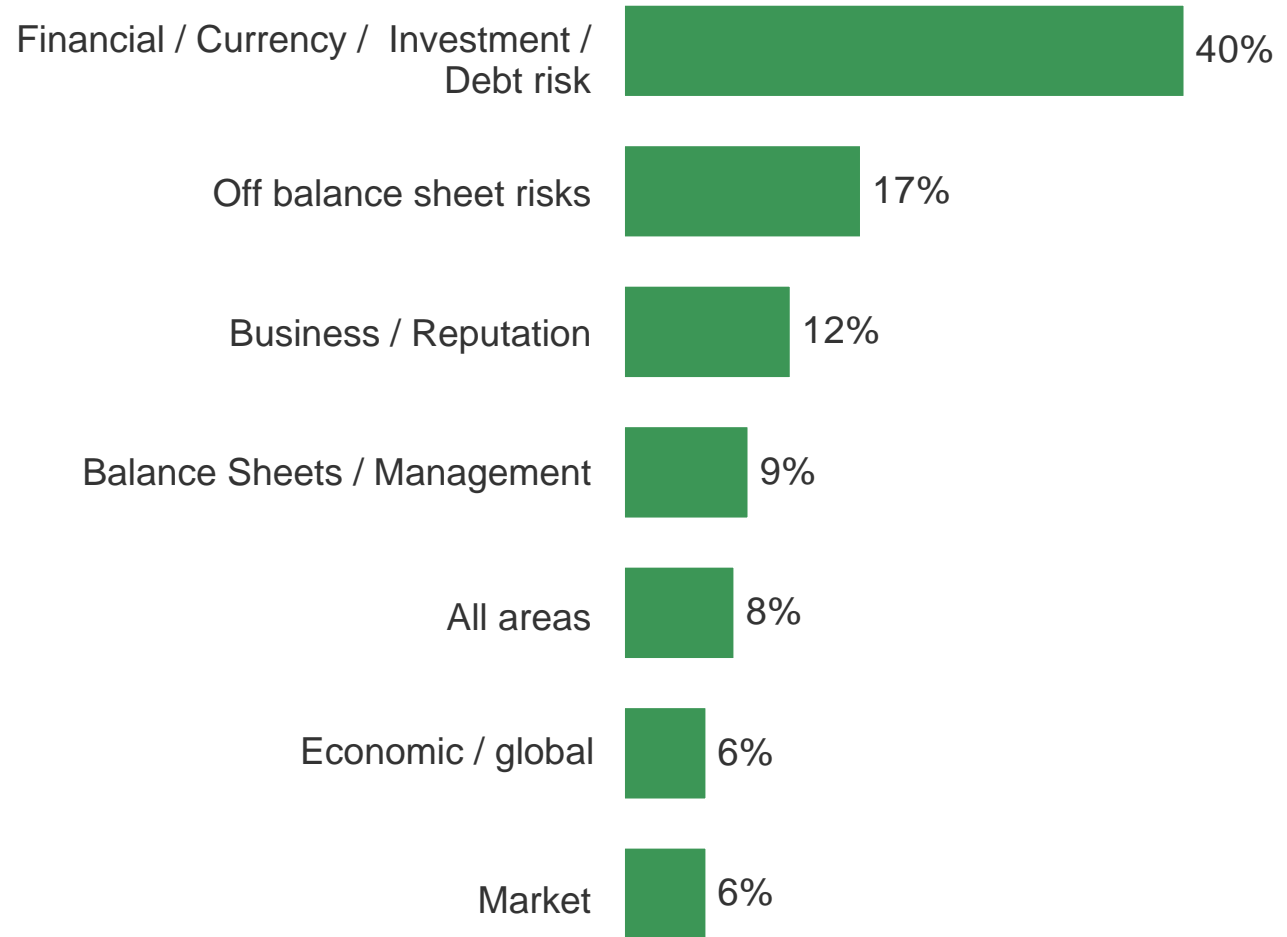
Q23. Would you say that the amount of disclosure around the existence and management of risk in corporate reports is currently...?



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Areas where more disclosure of risk is wanted

Q24. In which areas would you like to see more disclosure of risks?  
(top mentions)



Respondents could state more than one response

Base: those who agree there is too little disclosure around risk/risk management (205)

# Areas where more disclosure of risk is wanted (by country)

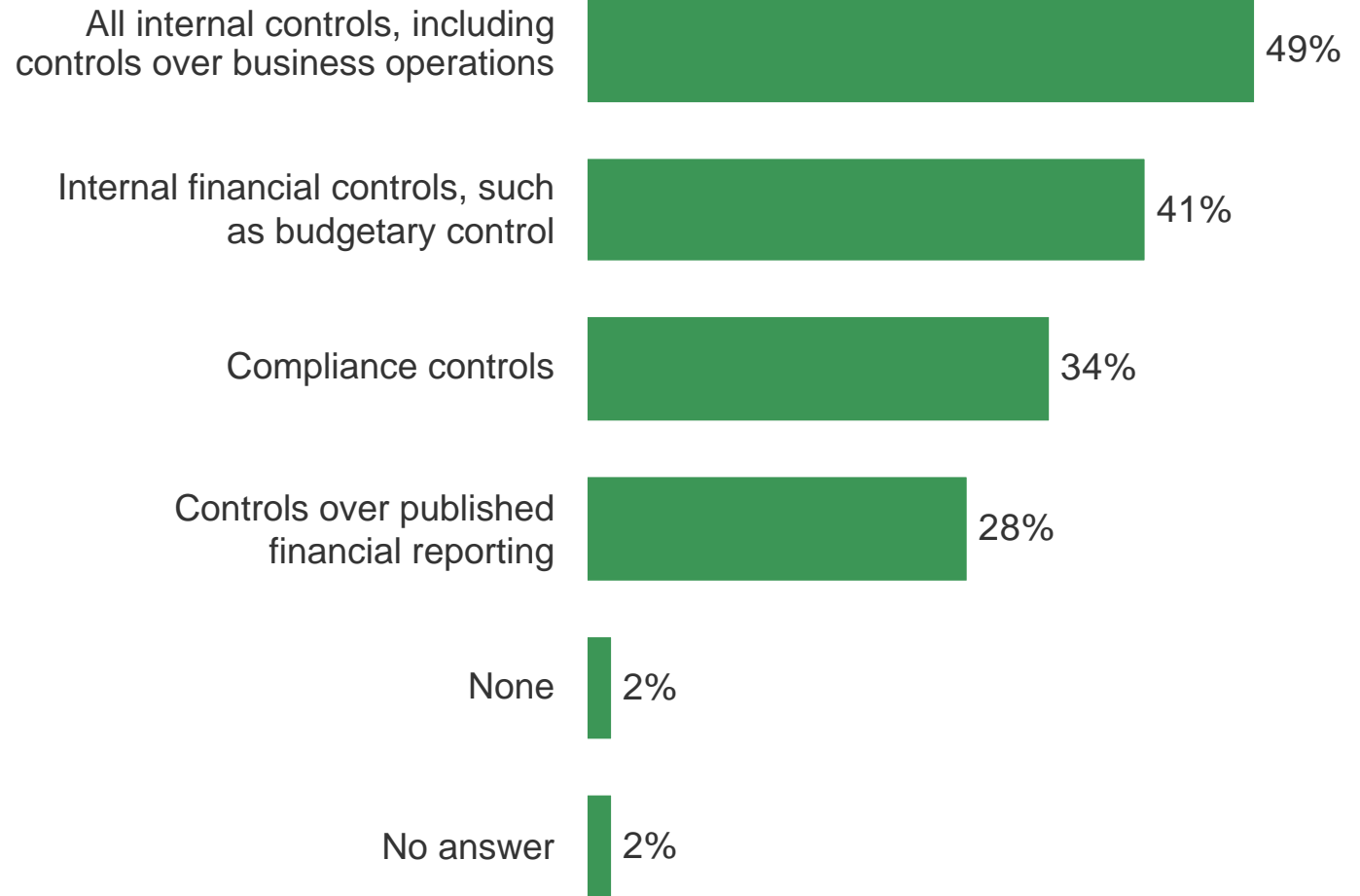
Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
<b>Financial / Currency / Investment / Debt risk</b>	<b>40</b>	41	37	63	56	18	29	36	26	28
<b>Off balance sheet risks</b>	<b>17</b>	21	28	19	19	-	-	36	5	-
<b>Business / Reputation</b>	<b>12</b>	10	7	15	4	-	18	7	37	11
<b>Balance Sheets / Management</b>	<b>9</b>	7	12	7	4	-	24	7	5	17
<b>All areas</b>	<b>8</b>	10	7	4	11	-	18	-	11	6
<b>Economic / global</b>	<b>6</b>	-	7	7	19	-	6	-	-	6
<b>Market</b>	<b>6</b>	14	5	15	7	-	-	-	-	-

Base: UK (29), US(43), France (27), Germany (27), Japan (11), India (17), Singapore (14), China (19), Hong Kong (18)

# Types of controls

Q25. Internal controls can be wide ranging and cover the whole of an enterprise.

Which of the following types of controls are you primarily concerned with?  
(top mentions)



Respondents had option to select up to 2 responses

Base: all respondents (402)

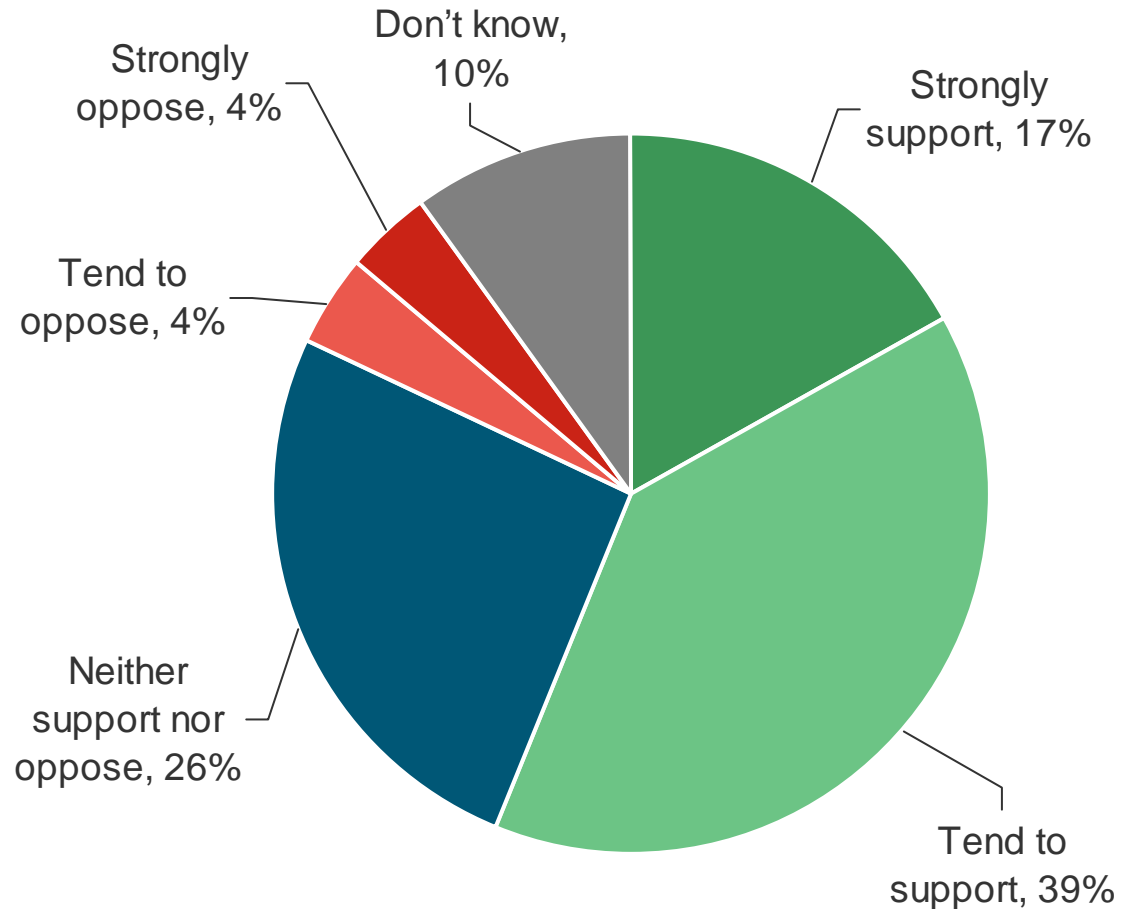
# Types of controls (by country)

Responses in %	Total	UK	US	France	Germany	Japan	India	Singapore	China	Hong Kong
<b>All internal controls, including controls over business operations</b>	<b>49</b>	55	53	40	42	36	48	68	54	50
<b>Internal financial controls, such as budgetary control</b>	<b>41</b>	36	33	46	32	40	48	44	69	46
<b>Compliance controls</b>	<b>34</b>	25	35	20	34	44	40	40	35	46
<b>Controls over published financial reporting</b>	<b>28</b>	21	36	46	14	46	32	16	12	8
<b>None</b>	<b>2</b>	1	1	2	6	4	-	-	-	-
<b>No answer</b>	<b>2</b>	7	-	2	2	-	4	-	8	-

Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Debate of scope of internal control reporting

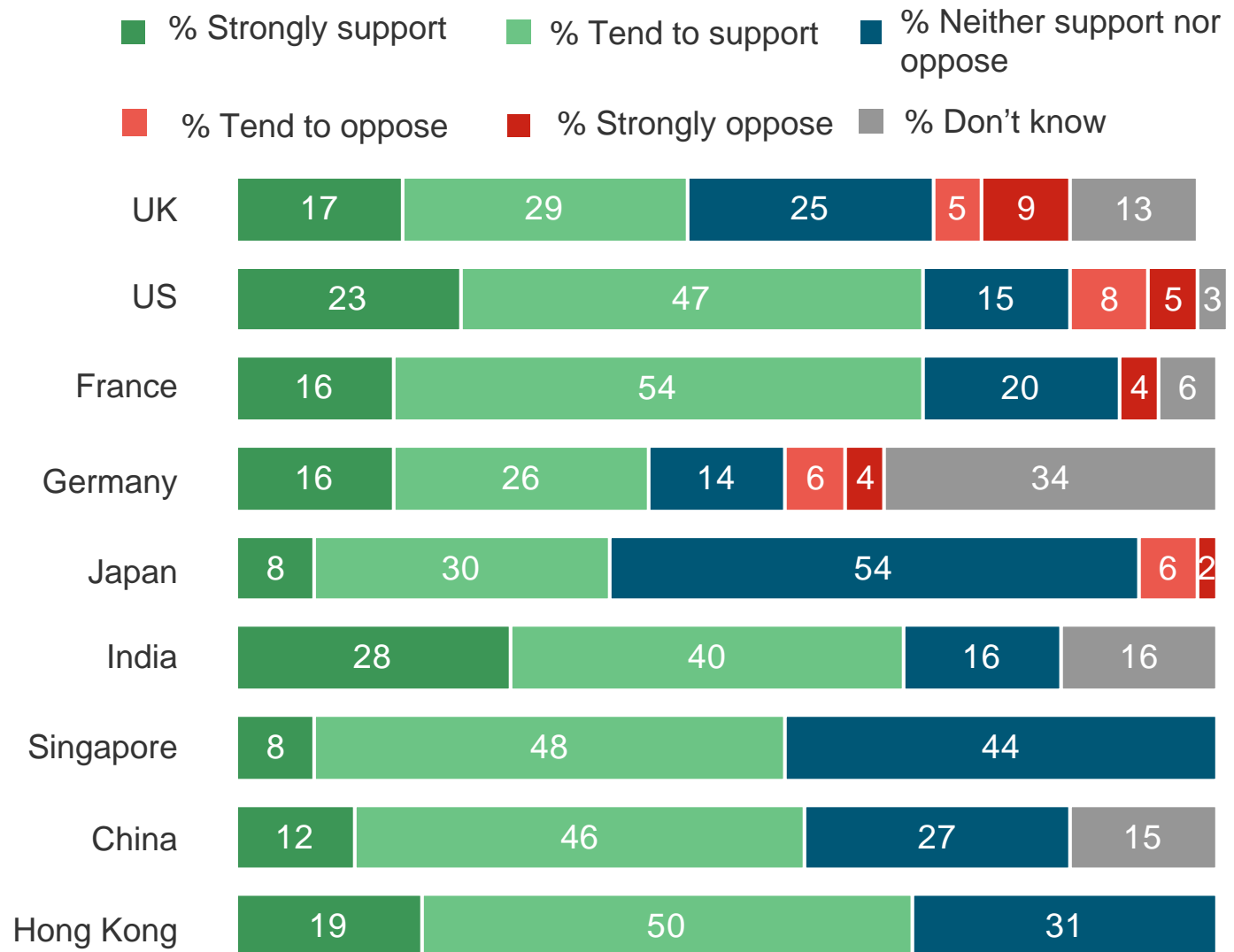
Q26. Would you support or oppose further debate/reconsideration of the scope of internal control reporting obligations, with a view to achieving greater consistency in meeting investors' expectations?



Base: all respondents (402)

# Debate of scope of internal control reporting (by country)

Q26. would you support or oppose further debate/reconsideration of the scope of internal control reporting obligations, with a view to achieving greater consistency in meeting investors' expectations?



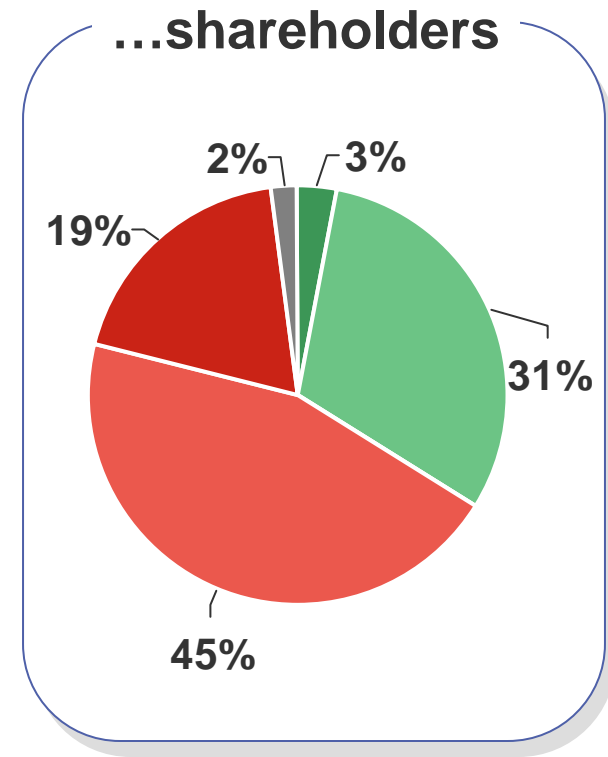
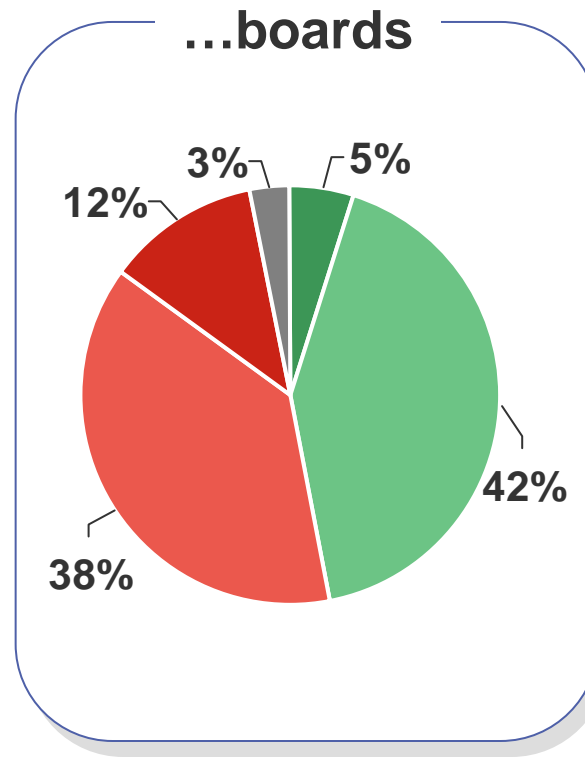
Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)



# Confidence in companies' risk management

Q27. In general, how confident are you that companies' risk management systems over accounting and financial reporting are able to identify and report impending problems to...

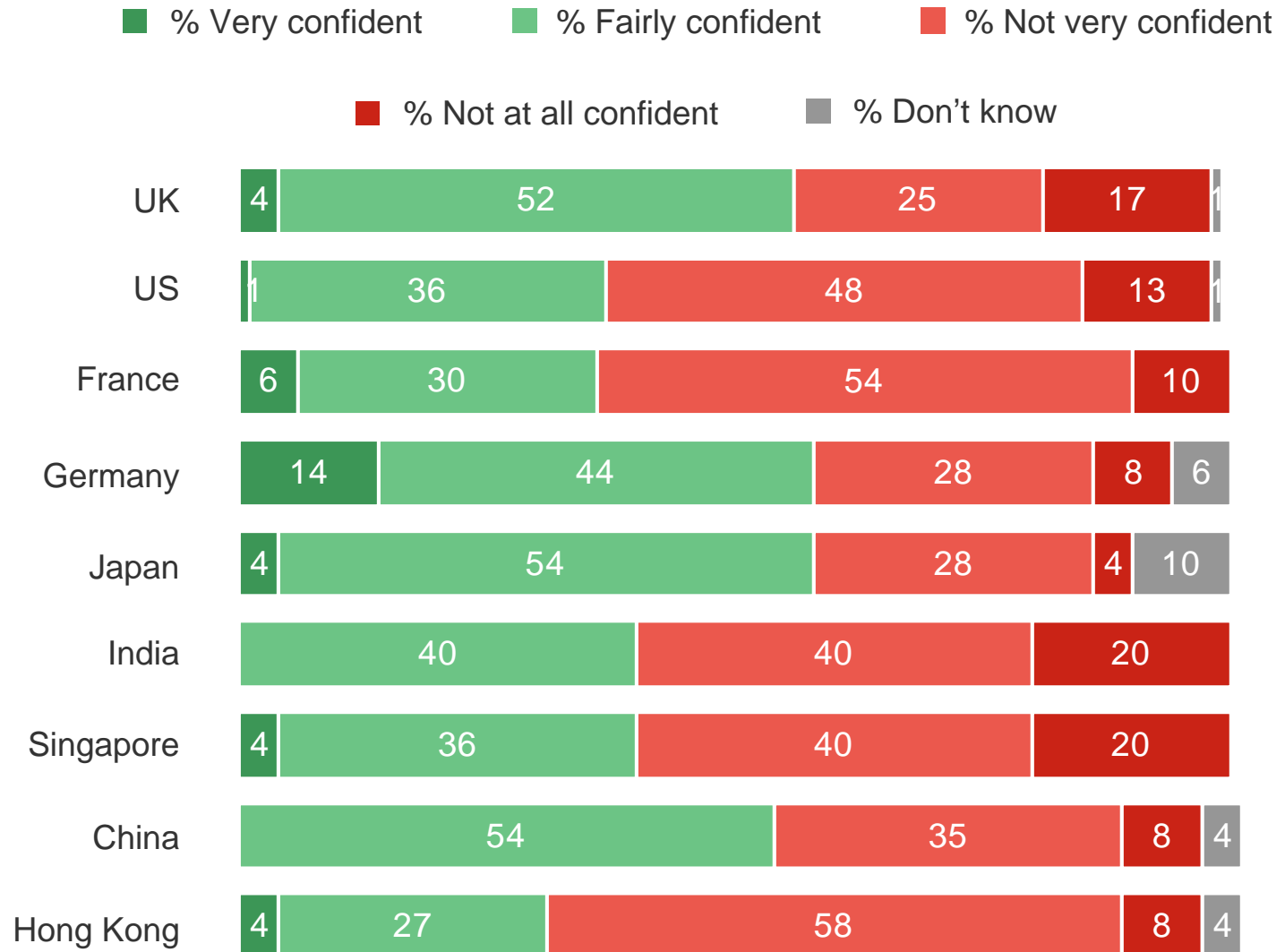
■ % Very confident    ■ % Fairly confident    ■ % Not very confident  
■ % Not at all confident    ■ % Don't know



Base: all respondents (402)

# Confidence in companies' risk management (by country)

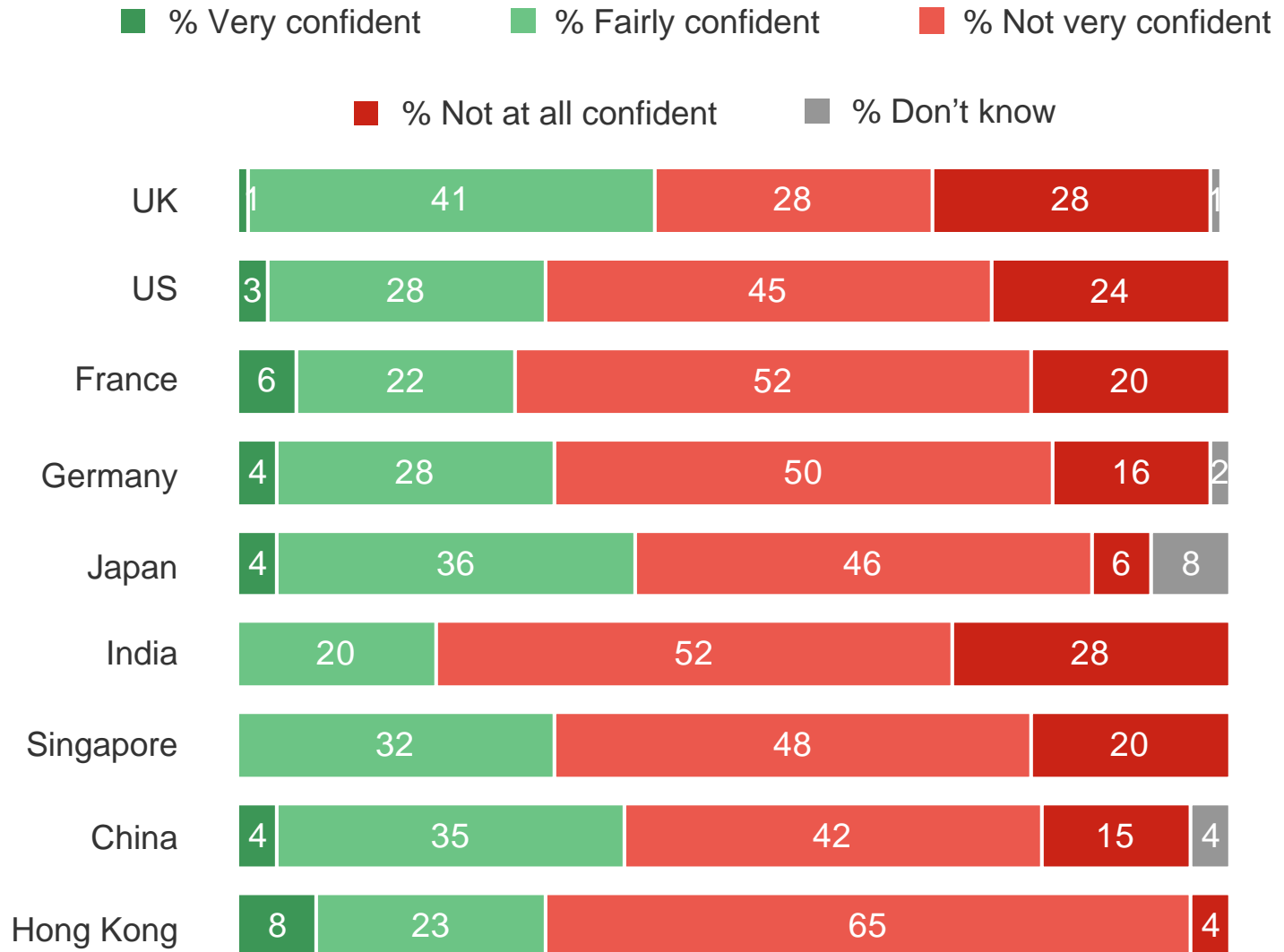
Q27. In general, how confident are you that companies' risk management systems over accounting and financial reporting are able to identify and report impending problems to...  
**boards**



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Confidence in companies' risk management (by country)

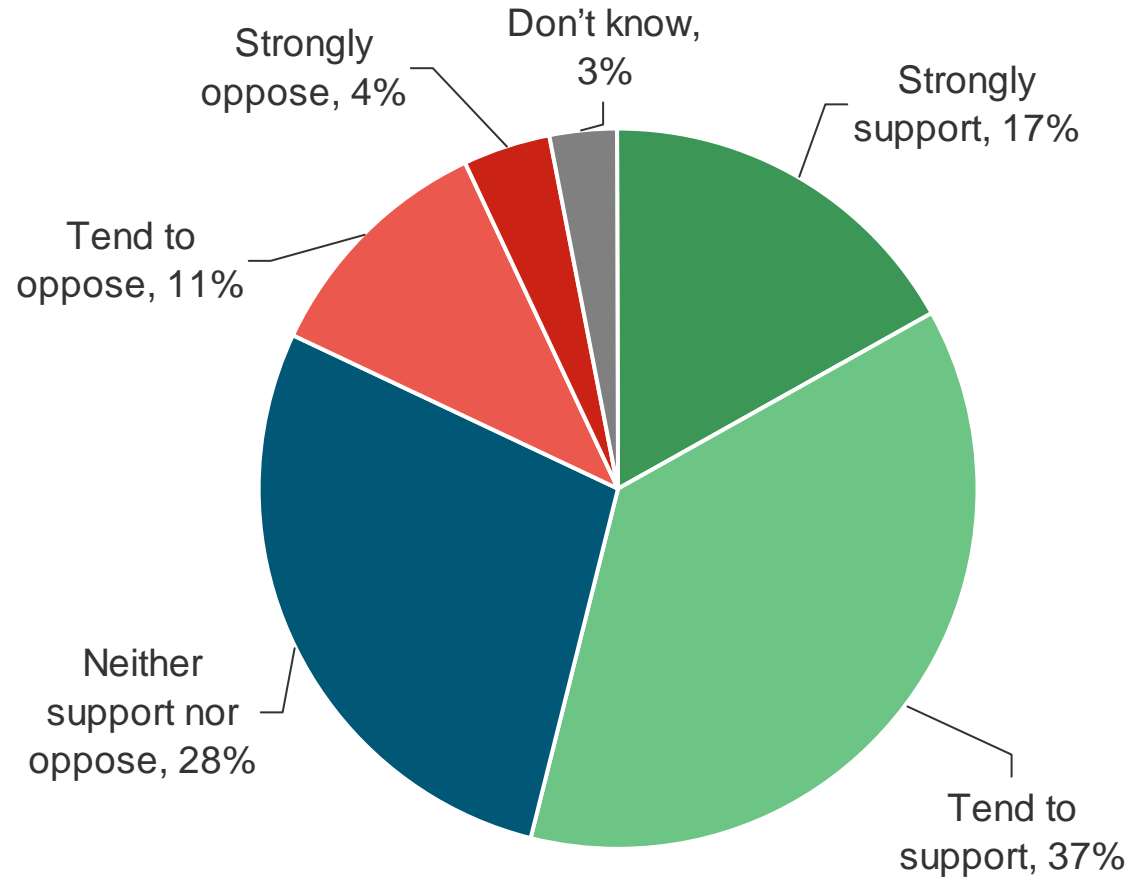
Q27. In general, how confident are you that companies' risk management systems over accounting and financial reporting are able to identify and report impending problems to... **shareholders**



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Support of mandatory independent assurance statements

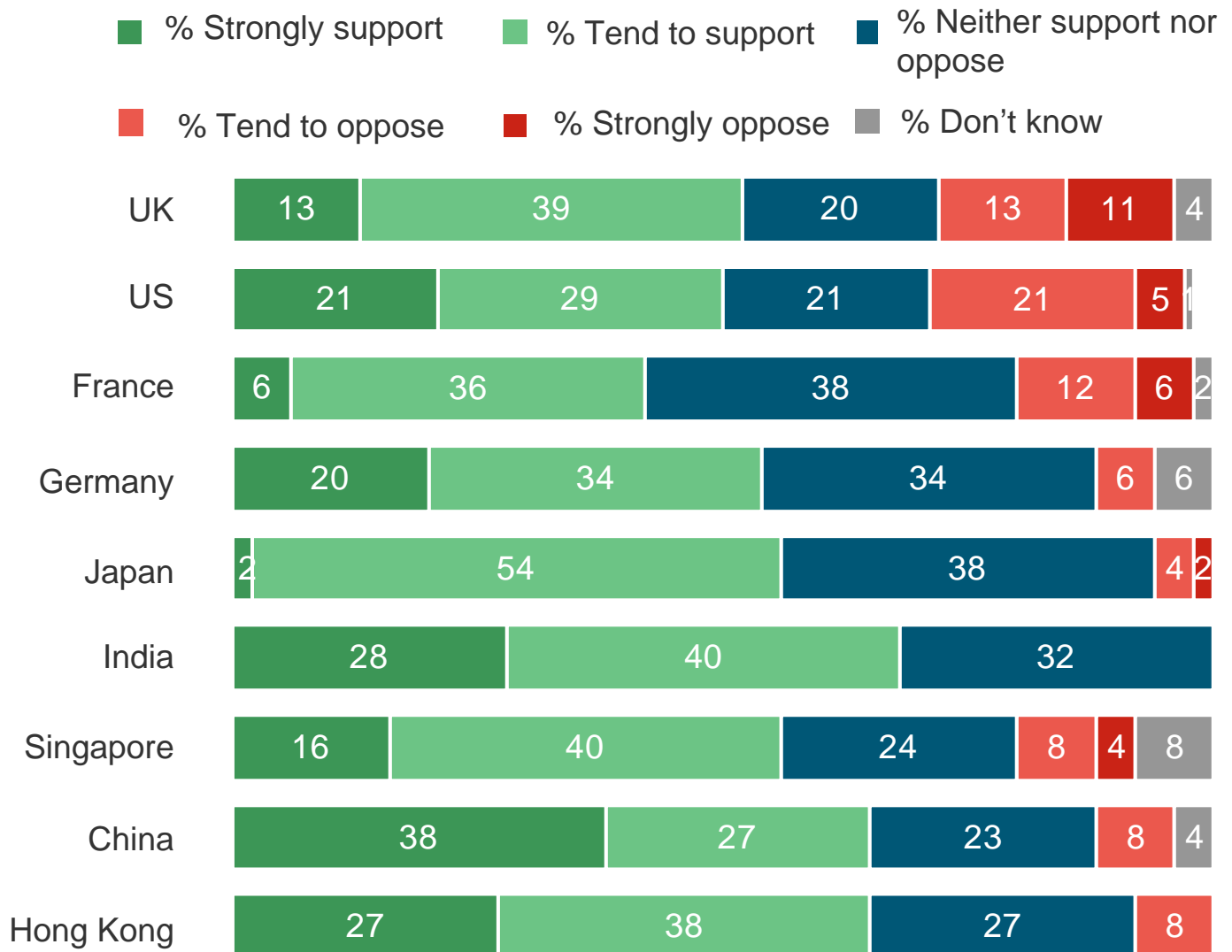
Q29. To what extent would you support or oppose mandatory independent assurance statements about aspects of companies' internal controls?



Base: all respondents (402)

# Support of mandatory independent assurance statements (by country)

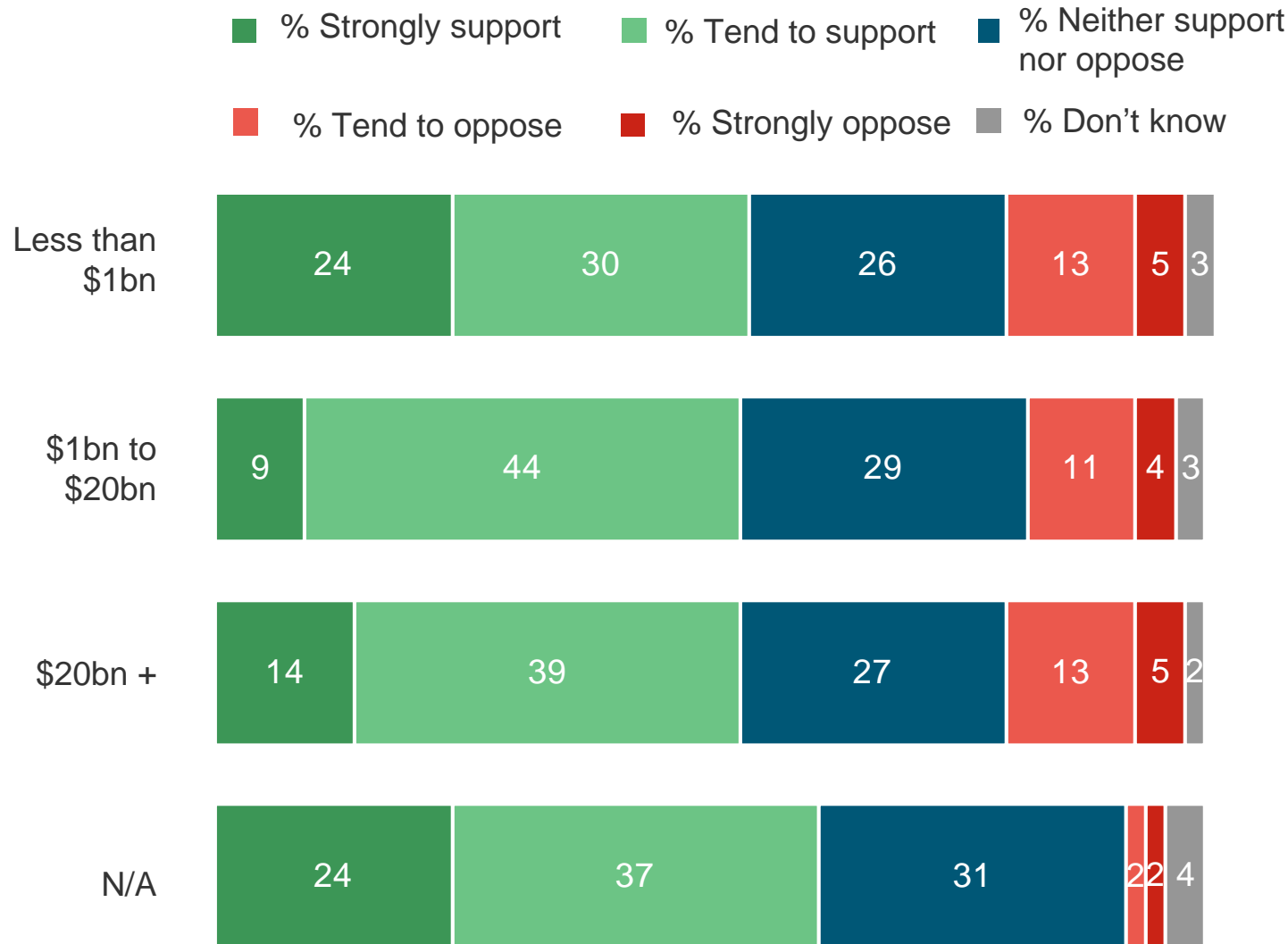
Q29. To what extent would you support or oppose mandatory independent assurance statements about aspects of companies' internal controls?



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Support of mandatory independent assurance statements (by AUM)

Q29. To what extent would you support or oppose mandatory independent assurance statements about aspects of companies' internal controls?



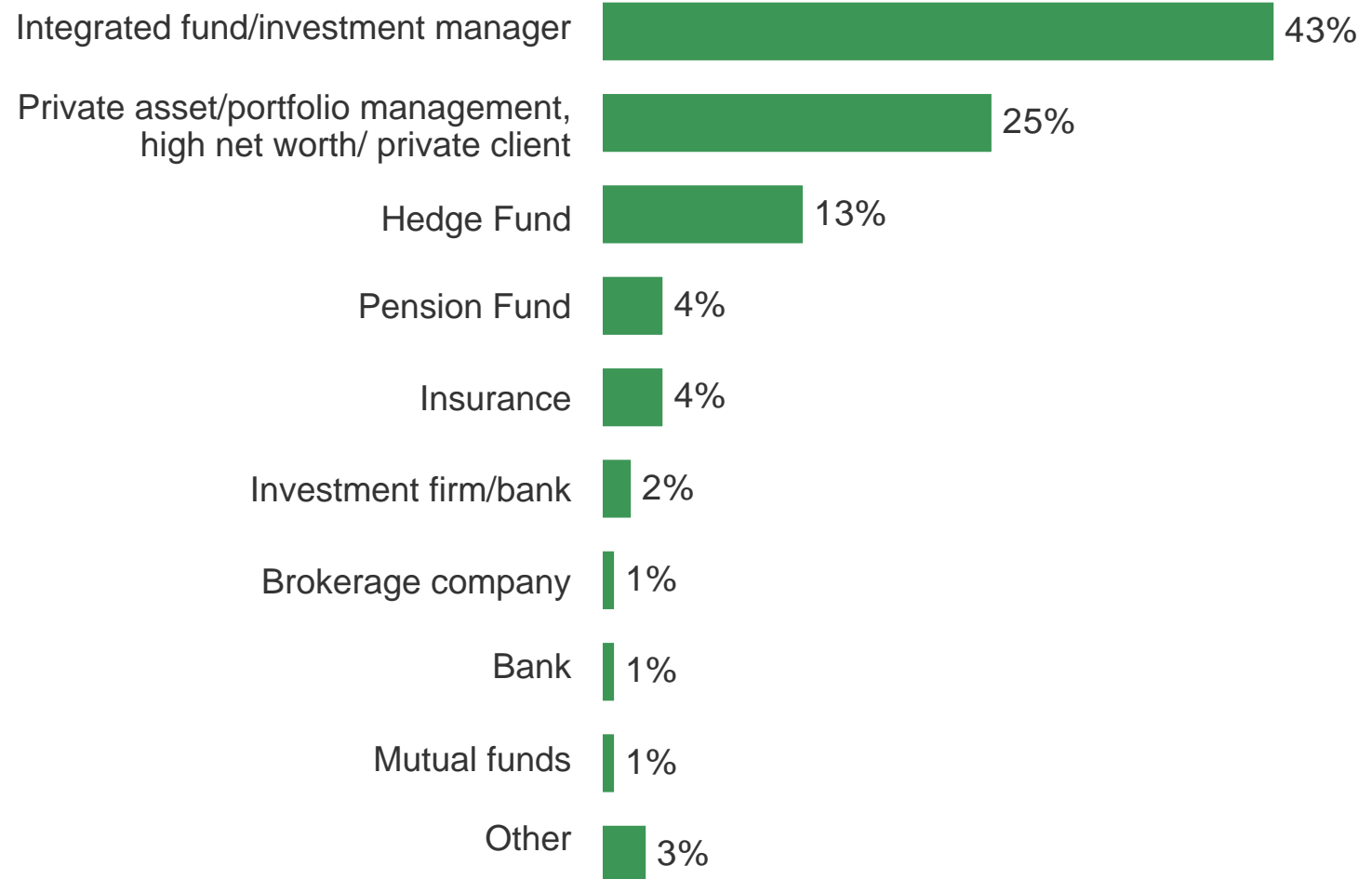
Base: AUM: less than \$1bn (127), \$1bn to \$20bn (119), \$20bn+ (102), N/A (54)



# Demographics

# Organisation type

Q30. Which of the following best describes your organisation?  
(top mentions)

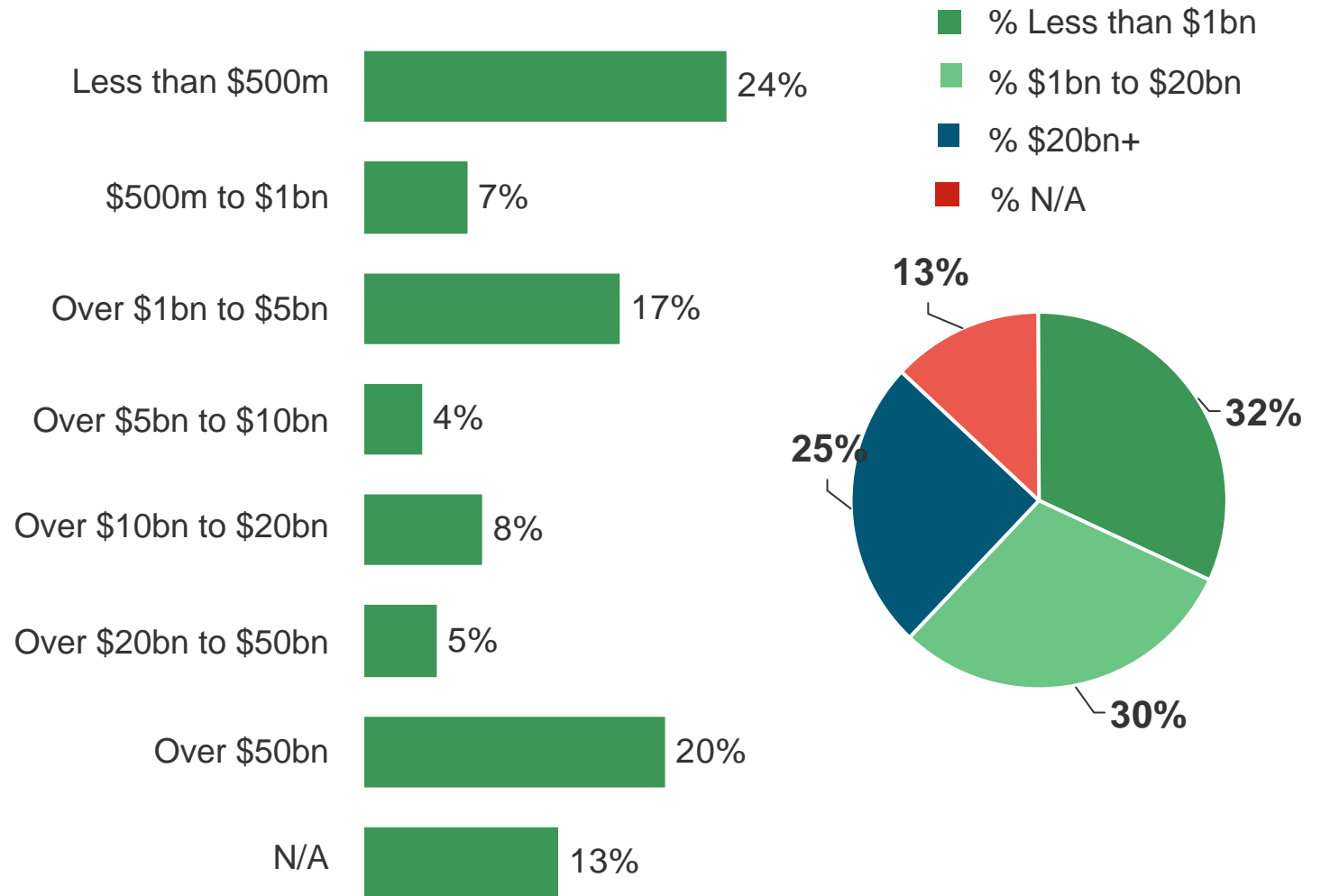


Base: all respondents (402)



# Assets under management

Q31a. What is the approximate size of your employer's business by assets under management?



Base: all respondents (402)

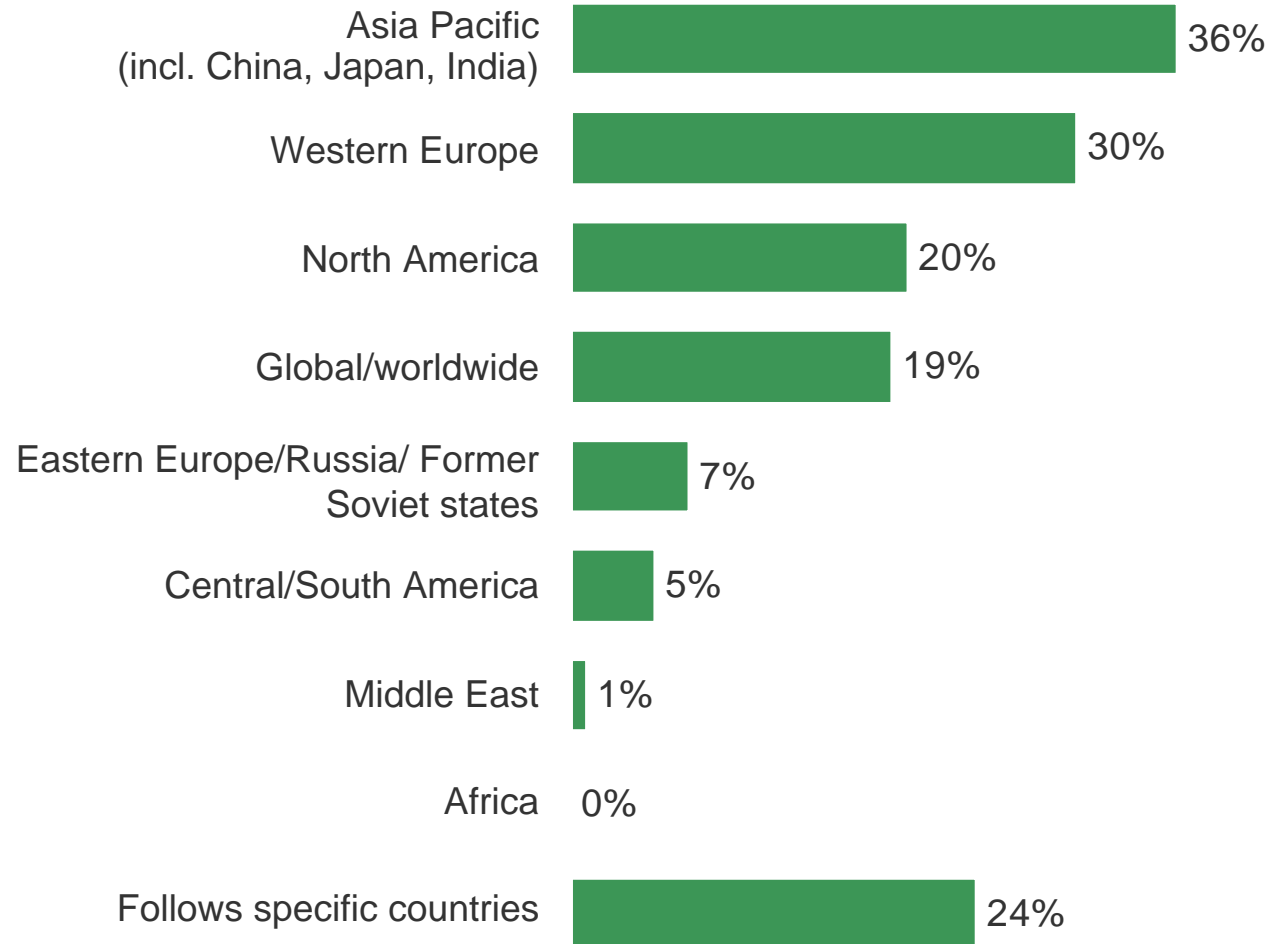
# Respondent industry sector

Industry	%	Industry	%
All sectors/not sector specific	52	Global/international markets	2
Banks	9	Software and Computer Services	2
Oil and Gas	6	Stock/shares/small cap/mid cap	2
Automobiles and Parts	5	Food Producers and Processors	2
Electronics and Electrical Equipment	4	General Retailers	2
Pharmaceuticals and Biotech	4	Media and Entertainment	2
Real Estate	4	Aerospace and Defence	1
Speciality and Other Finance	4	Beverages	1
Telecommunications Services	4	Chemicals	1
Diversified Industrials	3	Commodities	1
Engineering and Machinery	3	Electricity	1
Equities	3	Energy	1
Health	3	Funds/trusts	1
Information Technology Hardware	3	Household Goods and Textiles	1
Insurance	3	Investment	1
Mining	3	Life Assurance	1
Other	3	Personal Care and Household Products	1
Steel and Other Metals	3	Support Services	1
Utilities (excluding electricity)	3	Technology	1
Construction and Building Materials	2	Software and Computer Services	2
Consumer	2		
Food and Drug Retailers	2		

Base: all respondents (402)

# Region specialised in

Q33. Which region of the world do you follow or specialise in?

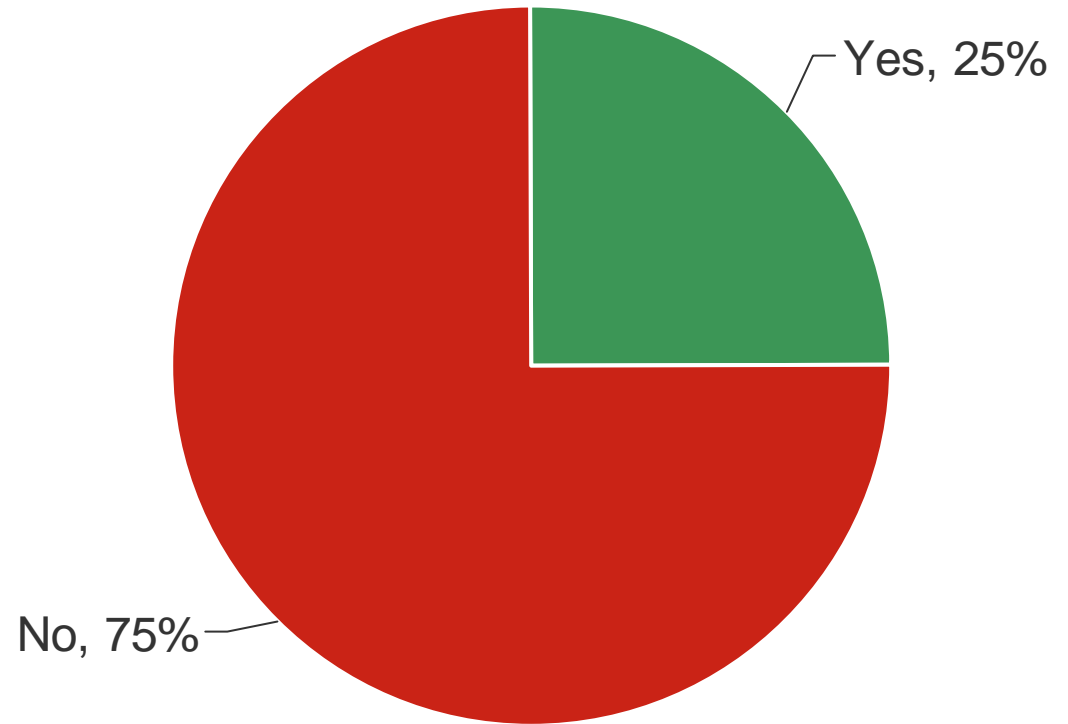


Respondents had option to select multiple responses

Base: all respondents (402)

# Corporate reporting or governance

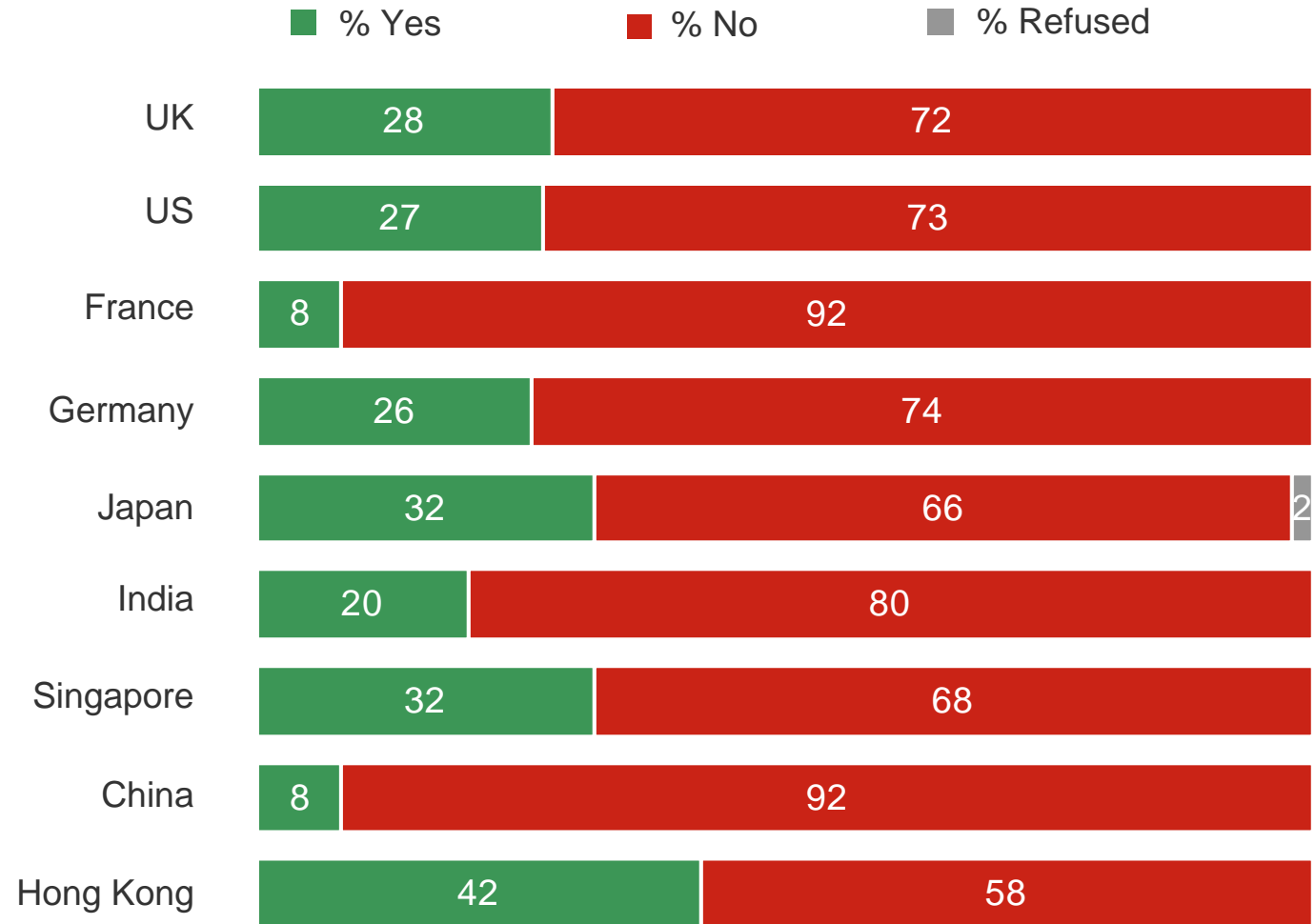
Q34. Are you responsible for corporate reporting or governance matters as they relate to investee companies on behalf of your organisation?



Base: all respondents (402)

# Corporate reporting or governance

Q34. Are you responsible for corporate reporting or governance matters as they relate to investee companies on behalf of your organisation?



Base: UK (75), US(75), France (50), Germany (50), Japan (50), India (25), Singapore (25), China (26), Hong Kong (26)

# Statistical reliability

- An overall sample size of around 400 means that if half of the respondents (i.e. around 50%) gave a particular answer, we can be confident (90 times in 100) that the true value, had we interviewed all members of the population, would lie no more than +/- 4 percentage points from the sample response
- The table below shows the reliability at the 90% confidence interval for different sample sizes applicable to percentages at or near the specific levels. Reliability figures have been rounded to the nearest half percentage point

Country (Sample size)	10/90%	70/30%	50%
Total sample (402)	2.5	4	4
US, UK (75 interviews)	5.5	8.5	9.5
France, Germany, Japan (50 interviews)	7	10.5	11.5
China, Hong Kong, India, Singapore (25/26 interviews)	10	15.5	16.5

For further information contact  
[Matthew.Chatterton@ipsos.com](mailto:Matthew.Chatterton@ipsos.com)  
on 020 7347 3112  
OR  
[Mel.Parekh@ipsos.com](mailto:Mel.Parekh@ipsos.com)  
on 020 7347 3397

Thank you