

—
P O Box 427 Pretoria 0001 South Africa
370 Helen Joseph Street Pretoria 0002
+27 12 313 3911 / 0861 12 7272
www.resbank.co.za



Ref.: 15/6/1/2_IRBA

Mr Imran Vanker
Director: Standards
Independent Regulatory Board for Auditors
Building 2 Greenstone Hill Office Park
Emerald Boulevard
Modderfontein
Lethabong
1609

Email: standards@irba.co.za

Dear Mr Vanker

Feedback: Consultation Paper on Enhancing Disclosures in the Auditor's Reports in South Africa

The Prudential Authority (PA) of the South African Reserve Bank welcomes the opportunity to comment on the Independent Regulatory Board for Auditors' (IRBA) Consultation Paper on Enhancing Disclosures in the Auditor's Reports in South Africa (the Consultation Paper).

The PA appreciates the IRBA's efforts to enhance disclosures in the auditor's reports. As the prudential regulator for banks, mutual banks, insurers, financial market infrastructures, co-operative banks and co-operative financial institutions in South Africa, the PA places significant reliance on the work of the external auditors as part of its supervisory strategy.

Although the PA has access to additional information from the regulated institutions as well as through engagement with the external auditors of these institutions, the audit report remains an important source of information for the supervisory process. In particular, for the smaller regulated entities, such as the smaller insurers, co-operative banks and co-operative financial institutions, the additional disclosure in the audit report could serve the PA well in its ongoing regulatory and supervisory work, as the PA's interaction with auditors of these entities is less frequent.

While we welcome most of the proposals in the Consultation Paper and believe they would make auditor's reports more responsive to stakeholders' needs, we would also like to caution that too much disclosure in the audit report might be counterproductive as it could make the report very lengthy and cumbersome to read. As such we believe that a balance must be achieved between disclosures in the auditor's report and other parts of the annual financial statements.

CONFIDENTIAL

We have considered the Consultation Paper and have provided detailed responses to the questions which are attached to this letter. Please feel free to reach out to us should you have any questions.

Yours sincerely

Zine Mshengu
Divisional Head: Industry Technical Support

Date: 15 September 2021

Template for Respondents

Respondent Information

Respondent type <i>Please select the capacity in which you are responding.</i>	Regulator
Organisation Name <i>If you answered "Individual", please write "Private".</i>	Prudential Authority
Full Name	Siphokazi Mbili/Irene Peter
Job Title	Accounting and Auditing Technical Specialist Manager: Accounting and Auditing Technical Support
Email Address	Siphokazi.Mbili@resbank.co.za Irene.Peter@resbank.co.za

Question 1

Do you believe that additional disclosures in the auditor's report about the scope of the audit would be useful in enhancing the understanding of the audit that was performed?					
	Very useful	Useful	Somewhat useful	Not useful	No particular view
Scope of the audit. Refer to section A	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</u>					
<p>Additional disclosures about the scope of the audit would add value with respect to some of the entities regulated by the Prudential Authority (PA), such as the smaller insurers. In terms of Regulations 46(9)(a) of the Regulations relating to Banks, the PA is required to hold bilateral meetings with the auditors of banks prior to the commencement of the audit to discuss the audit plan, which includes, inter alia, audit scope, audit materiality, significant risks, and significant group components. Similarly, such meetings take place with the auditors of large insurers prior to the commencement of the annual audit. These meetings are well entrenched in the supervisory processes of the PA. The PA, therefore, does receive information about the scope of the audit of its regulated institutions through interaction with the auditors. However, for some of the smaller and medium sized insurance entities, there is less frequent interaction with the auditors and therefore a description of the scope of the audit in the audit report would be helpful to the PA.</p>					

Question 2

Do you believe that disclosing the materiality threshold applied, and an explanation of significant judgements made by the auditor in determining materiality for the audit in the auditor’s report, would be useful in enhancing the understanding of the audit that was performed?

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Materiality threshold applied, and an explanation of significant judgements made by the auditor in determining materiality for the audit. Refer to section A	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

As discussed in the response to question 1, for many of the regulated institutions, the PA holds annual bilateral meetings with the auditors to discuss the audit plan, which includes audit scope, audit materiality, significant risks and significant group components, prior to the commencement of the audit. As such, the PA would be aware of the level of audit materiality determined by the auditors. However, we believe that for other stakeholders who do not have access to this information, the disclosure of the audit materiality as well as significant judgments made by the auditor in determining materiality would place the audit opinion into context and would make the audit report more transparent and understandable. We therefore support this proposal.

Question 3

Do you believe that the disclosure of performance materiality in the auditor's report would be useful in enhancing the understanding of the audit that was performed?					
	Very useful	Useful	Somewhat useful	Not useful	No particular view
Performance materiality. Refer to section A	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</u>					
<p>This information would be useful in understanding the audit process and we would be supportive of including it in the audit report. The only drawback of such disclosure is that auditors would have to find a way to explain the concept of performance materiality in simple terms that are easy to understand for stakeholders without audit background and it may result in the audit report becoming much longer than before.</p>					

Question 4

Do you believe that additional disclosures in the auditor's report that explain the extent to which the audit was considered capable of detecting irregularities, including fraud, would be useful in enhancing the understanding of the audit that was performed?					
	Very useful	Useful	Somewhat useful	Not useful	No particular view
Explanation of the extent to which the audit was considered capable of detecting irregularities, including fraud. Refer to section B	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as any suggestions you may have.</u>					
<p>We agree that additional disclosures in the auditor's report that explain the extent to which the audit was considered capable of detecting irregularities, including fraud, would be useful in enhancing the understanding of the audit that was performed. From a PA perspective, fraud is always a concern, as the institutions regulated by us are Public Interest Entities (PIEs) and as such the impact of fraud has serious repercussions for the public. Of course, such disclosure will not prevent fraud or other irregularities, but enhanced emphasis of the auditor's role in detecting fraud will go a long way in bridging the expectation gap which exists amongst the public and may assist in restoring trust in the profession.</p>					

Question 5

Do you believe that disclosures in the auditor’s report about how the auditor evaluated management’s assessment of the entity’s ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation would be useful in enhancing the understanding of the audit that was performed?

	Very useful	Useful	Somewhat useful	Not useful	No particular view
How the auditor evaluated management’s assessment of the entity’s ability to continue as a going concern and, where relevant, key observations. Refer to section C	<input type="checkbox"/>	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please provide your reasons and indicate where applicable, what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

We agree that the additional disclosure about the auditor’s evaluation of management’s assessment of the going concern assumption would add transparency to this aspect of the auditors’ work, which would be welcomed. The going concern principle has over the past few months and years become more complex and more important, especially in light of the Covid-19 pandemic and the associated disruption to business. As mentioned in the response to question 4 above, the PA regulates PIEs and as such any problems relating to going concern would be highly concerning for the PA. The proposed disclosures would provide the PA with additional information which would assist with the discussions around going concern with the regulated entities and their auditors. We also believe that it would provide valuable information for other users of the financial statements such as analysts and investors.

Question 6

Do you believe that a conclusion (i.e., a positive statement) that management's use of the going concern basis of accounting in the preparation of the entity's financial statements is appropriate should be included in the auditor's report?

	Yes	Maybe	No	No particular view
Conclusion (i.e., a positive statement) that management's use of the going concern basis of accounting is appropriate. Refer to section C	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

We are of the view that a positive statement in the auditor's report that management's use of the going concern basis of accounting is appropriate would increase the level of confidence in the final audit opinion for the users of the financial statements, including the PA. We are therefore supportive of this proposal. However, this is quite a strong statement to make, bearing in mind the judgement involved, and it remains to be seen whether the auditors would be willing to provide a positive statement in this regard. Also, perhaps a statement such as the one proposed by question 8 below would be sufficient to provide comfort to users of the financial statements that the going concern assumption is appropriate.

Question 7

Where there is a material uncertainty related to going concern, do you believe that procedures specific to the auditor's response to the material uncertainty related to going concern should be disclosed in the auditor's report?

	Yes	Maybe	No	No particular view
Procedures specific to the auditor's response to a material uncertainty related to going concern. Refer to section C	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

This disclosure would be helpful, however where there is material uncertainty related to going concern the PA would most probably have separate discussions with the regulated entity and its auditors prior to the audit report being issued. For other stakeholders with less access to the entity, such disclosure would however be quite important.

Question 8

Where the auditor concludes that no material uncertainty related to going concern has been identified, would a statement that the auditor has not identified a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue be useful to you as a user?

	Very useful	Useful	Somewhat useful	Not useful	No particular view
A statement that the auditor has not identified a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the entity’s ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue. Refer to section C	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

The PA would welcome such a statement in the auditor’s report. Although the PA engages with regulated entities and their auditors during the year and should be aware of any matters affecting going concern, having confirmation from the auditors that they have also not noted any material uncertainty related to going concern would strengthen the PA’s confidence in the going concern assumption. Furthermore, other stakeholders with less access to the entity should find such a statement very reassuring when analysing the entity concerned and making investment decisions.

Question 9

Are there any other matters related to going concern that you believe should be disclosed in the auditor's report?				
	Yes	Maybe	No	No particular view
Any other matters related to going concern that you believe should be disclosed in the auditor's report. Refer to section C	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>Please provide the details and where applicable, the benefits and drawbacks of disclosure of such matters, as well as any suggestions you may have.</u>				
From a regulatory perspective, the PA is not aware of any other matters that should be disclosed relating to going concern.				

Question 10

Do you believe that auditor's reports, other than on listed entities and where law or regulation requires the application of ISA 701, should disclose KAMs?				
	Other PIEs	All Entities	No	No particular view
KAMs in auditor's reports other than on listed entities and where law or regulation requires the application of ISA 701. Refer to section D	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u>please explain your reasons for the answer to this question and where applicable, specify the type of entity for which you believe the auditor's reports should disclose KAMs, as well as any suggestions you may have.</u>				
Directive 2/2017 issued by the Bank Supervision Department (the predecessor of the PA) in 2017 deals with matters related to the communication of KAMs by banks. In terms of this directive, the PA's stance is that auditors of unlisted banks may decide to report KAMs under such circumstances as the auditors deem fit to do so. The experience with KAMs for the listed institutions has been a positive one, especially with regard to matters such as accounting estimates which are significant for banks and insurers. As such, there could be an argument for making this a requirement for all PIEs, which would include the non-listed banks and insurers.				

Question 11

In your view, are descriptions of the outcome of audit procedures or key observations with respect to Key Audit Matters useful in understanding the KAM?					
	Very useful	Useful	Somewhat useful	Not useful	No particular view
Descriptions of the outcome of audit procedures or key observations with respect to Key Audit Matters. Refer to section D	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u><i>please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</i></u></p> <p>From the perspective of the Prudential Regulator, it would certainly be helpful to include a description of the outcome of the audit procedures or key observations with respect to KAMs for those regulated entities for which KAMs are currently required i.e. listed entities.</p>					

Question 12

Do you believe it is beneficial to stakeholders to have visibility of the professional relationships between an audit firm and the audit client for audits of entities that are not PIEs?				
	Yes	Maybe	No	No particular view
Visibility of the professional relationships between an audit firm and the audit client for audits of entities that are not PIEs. Refer to section E.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u><i>Please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder and specify for which types of entities should the disclosure of such professional relationships be. Also indicate any suggestions you may have.</i></u></p> <p>For non-PIEs that are public companies, the disclosure of the professional relationships between an audit firm and the audit client would benefit users of the financial statements by providing transparency around such relationships. We would not extend the requirement beyond public companies.</p>				

Question 13

If the answer to question 12 is "yes" or "maybe", do you believe this should be disclosed in the auditor's report?				
	Yes	Maybe	No	No particular view
Disclosure of professional relationships in the auditor's report. Refer to section E.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p><u>Please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder or provide alternative mechanisms for such disclosure.</u></p> <p>We are of the view that this disclosure does not need to be included in the auditor's report. Alternative mechanisms include the report from the audit committee that is tasked with oversight of the auditors.</p>				

Question 14

Do you believe the auditor's report is an appropriate mechanism to disclose the matters described in (a), (b), (c) and (d) in paragraph 65 in relation to fees?				
	Yes	Maybe	No	No particular view
Auditor's report an appropriate mechanism to disclose the matters described in (a), (b), (c) and (d) in paragraph 65. Refer to section E	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<p><u>please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder or provide suggestions on other possible mechanisms to achieve such disclosure, including the benefits and the drawbacks.</u></p> <p>The disclosure of the fees does not need to be included in auditor's report. We would prefer the disclosure to be made through other mechanisms such as the annual report.</p>				

Question 15

Do you believe the auditor's report is an appropriate mechanism to disclose whether an entity has been classified as a PIE or not?				
	Yes	Maybe	No	No particular view
Disclosure of whether an entity has been classified as a PIE or not in the auditor's report. Refer to section F	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<u><i>please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</i></u>				
<p>This would not benefit the PA that much as the PA is aware that all banks and insurers are considered PIEs, but it would perhaps raise awareness amongst other users of the financial statements that there are more stringent requirements for PIEs, thereby increasing the public's trust in the audit of these entities. However, we do not believe that the auditor's report is an appropriate mechanism for this disclosure.</p>				
<u><i>If not, please provide reasons and suggestions on other appropriate mechanisms:</i></u>				
<p>The auditor's report should not become too lengthy, and we feel it would be sufficient to include this disclosure in other sections of the annual financial statements (e.g. under Company Information.)</p>				

Question 16

Do you believe that when prior period financial statements that are misstated have not been amended and an auditor's report has not been reissued, but the corresponding figures have been properly restated or appropriate disclosures have been made in the current period financial statements, the matter should in all cases be described in the auditor's report?				
	Yes	Maybe	No	No particular view
Description in the auditor's report when prior period financial statements that are misstated have not been amended and an auditor's report has not been reissued, but the corresponding figures have been properly restated or appropriate disclosures have been made in the current period financial statements. Refer to section G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u><i>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</i></u>				

A restatement of prior year numbers would very likely be discussed at the trilateral meeting held by the PA with the auditors and the regulated institution after finalisation of the audit and prior to the issuance of the audit report. The PA would therefore be aware of the restatement. It would also have to be disclosed in the notes to the financial statements. Therefore, including a description of the restatement in the auditor's report would not have much of a benefit for the PA. However, for some of the smaller insurers as well as co-operative banks and co-operative financial institutions this disclosure may add value to the supervisory process. In addition, for other users of financial statements with less access to the entity such disclosure would draw attention to the restatement and therefore they would probably find this information useful

Where such disclosure is made in the auditor's report, whether mandated or not, do you believe that tailored descriptions of the audit procedures performed, and key observations made by the auditor regarding prior year material misstatements, would be useful in enhancing the understanding of how the auditor addressed the matter?

Yes, we do think that having tailored descriptions of the audit procedures performed and key observations would be useful, if this information is to be included in the audit report.

Question 17

Where such disclosure is made in the auditor's report, whether mandated or not, do you believe that tailored descriptions of the audit procedures performed, and key observations made by the auditor regarding prior year material misstatements, would be useful in enhancing the understanding of how the auditor addressed the matter?

	Very useful	Useful	Somewhat useful	Not useful	No particular view
Tailored descriptions of the audit procedures performed, and key observations made by the auditor regarding prior year material misstatements. Refer to section G	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.

Please refer to the response to question 16.

Question 18

Do you believe the disclosure of the threshold of unadjusted misstatements in the auditor's report would be useful in further enhancing transparency by auditors?					
	Very useful	Useful	Somewhat useful	Not useful	No particular view
Do you believe the disclosure of the threshold of unadjusted misstatements in the auditor's report would be useful in further enhancing transparency by auditors? Refer to section H	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</u></p> <p>The PA is of the view that this disclosure in the audit report would be useful as it would facilitate the comparison of the threshold of unadjusted misstatements across similar regulated institutions.</p>					

Question 19

In relation to the matters described in sections A, B, C, G and H in the Consultation Paper, if applicable, would you please indicate for which types of entities these disclosures should be made? Your response should be in the format set out below (tick where appropriate and provide your reasons, including benefits and drawbacks, in the comment box).					
Details	All entities	PIEs only	Listed entities only	Other (Please explain)	Disclosure should not be made at all (Please explain)
Extending the disclosures of the audit scope <i>Refer to section A</i>		X			
<p><u>Comments:</u></p> <p>Having this information for PIEs would be useful for supervision and monitoring of the entities which are regulated by the PA, especially the smaller and medium sized insurers for which this information is not normally obtained. This would add to consistent transparency as well as comparability of the entities.</p>					

<p>Materiality</p> <p><i>Refer to section A</i></p>	X				
<p><u>Comments:</u></p> <p>Having this information for PIEs would be useful for supervision and monitoring of the entities which are regulated by the PA, especially the smaller and medium sized insurers for which this information is not normally obtained. This would add to consistent transparency as well as comparability of the entities.</p>					
<p>Performance materiality</p> <p><i>Refer to section A</i></p>	X				
<p><u>Comments:</u></p> <p>Having this information for PIEs would be useful for supervision and monitoring of the entities which are regulated by the PA, especially the smaller and medium sized insurers for which this information is not normally obtained. This would add to consistent transparency as well as comparability of the entities.</p>					
<p>Enhancing the disclosure of the audit effort related to irregularities, including fraud</p> <p><i>Refer to section B</i></p>	X				
<p><u>Comments:</u></p> <p>This information would be important and useful for PIEs.</p>					
<p>Enhancing the disclosure of the audit effort related to going concern</p> <p><i>Refer to section C</i></p>	X				
<p><u>Comments:</u></p> <p>This information would be important and useful for all entities.</p>					
<p>Auditor's report disclosures arising from prior year misstatements</p> <p><i>Refer to section G</i></p>	X				
<p><u>Comments:</u></p> <p>From a PA perspective, this information would be more valuable for smaller entities and those entities that are not considered PIEs.</p>					

Disclosure of the reporting threshold unadjusted misstatements <i>Refer to section H</i>	X				
	<u>Comments:</u> This information would be useful to all entities regulated by the PA, including the smaller entities such as cooperative banks and cooperative financial institutions.				
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</u> Not applicable					

Question 20

Other than those proposals discussed in sections A to I in the Consultation Paper, are there more matters that can be disclosed by auditors in the auditor's report for an audit of financial statements?				
	Yes	Maybe	No	No particular view
More matters that can be disclosed by auditors in the auditor's report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks would be to you as a stakeholder, as well as any suggestions you may have.</u> No, we do not believe there are any other matters that should be disclosed in the audit report.				

Question 21

Should there be prescribed standards or a rule that will mandate additional disclosures in the auditor's report? If not, please provide your reasons.				
	Yes	Maybe	No	No particular view
Prescribed standards or a rule that will mandate additional disclosures in the auditor's report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Please provide your reasons and where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder, as well as any suggestions you may have.</u> This would promote consistency, transparency, comparability and clarity of disclosed amounts in the industry. The additional disclosures would also aid the users to have a more detailed understanding of the information in the audit reports and in the financial statements.				

Question 22

Is there a need to develop a structure or framework within which to accommodate currently envisaged but also future changes to auditor's report contents?				
	Yes	Maybe	No	No particular view
A need to develop a structure or framework within which to accommodate currently envisaged but also future changes to auditor's report contents.	✓	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<p><u>Please provide your reasons. Where applicable, indicate what the benefits and drawbacks of such disclosures would be to you as a stakeholder and explain what the elements of such a framework would be. Also provide any suggestions you may have.</u></p> <p>Having mandated wording and structure, clear definitions and requirements for the additional disclosures would be helpful in promoting consistency, comparability as well as provide clarity of disclosed information. However, it might be difficult to develop a structure that would cover all situations. Some degree of flexibility would be required.</p>				