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SEEKING LEGITIMACY AND SUSTAINABILITY THROUGH INTEGRATED REPORTING

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Abstract

New corporate reporting models, as Integrated Reporting, increases the challenge of reliability by representing new approaches in the way companies present the information to the market. IR congregate both financial and sustainable information, therefore represents a challenge by including information subjected to independent certification and information that can be subjected to independent verification in a voluntary basis. This research aims to analyse the role of assurance in the legitimacy of sustainable information. The contribution of the study will be a higher knowledge of the motivation and practices of assurance on Integrated Reporting, that could conduct to better analysis and decisions.

1. Introduction

Corporate reporting cannot remain static, it must change to reflect changes in business and users' needs. After 2008 and the financial crisis, it has been argued that a different reporting model could have dealt with the crisis more promptly (ICAEW, 2009). Besides, there has been an increase in sustainable information disclosed by companies. The conjugation of these factors are the base for the emergence of Integrated Reporting – IR. "An integrated report is a concise communication about how an organization's strategy, governance, performance, and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term" (IIRC, 2013). An Integrated Reporting includes information concerning the evaluation of potential future value growth and risk involved. Accordantly, it influences risk analysis and it leads to the need for new assurance frameworks that can assure the compliance of integrated information. (Rodrigues, Morais, & Ribeiro, 2017). The existing regulatory requirements on annual reports need to be combined, by assurance services providers, with the information included in the Integrated Report. This reality may represent a challenge for the regulatory bodies in order to change their audit standards (Villiers, Rinaldi, & Unerman, 2014), Eccles and Kruz also refers to the need of assurance methodologies for providing an integrated audit opinion for an integrated report (Eccles & Krzus, 2010). As Integrated Reporting disclose both sustainability and financial information in a perspective of integrated thinking, to obtain legitimacy implies to obtain legitimacy both in financial and in sustainability areas of reporting and moreover on the disclosure of integrated information. Legitimacy is defined as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995). The aspects of legitimacy and compliance are essential for the credibility and reliability of the information provided by companies.

This study aims to analyse the role of assurance in the legitimacy of sustainable information and the level of assurance on Integrated Reporting (Eccles, Krzus, & Watson, 2010; Gary, Fagerström, & Hassel, 2011; Villiers et al., 2014). The research goals are to analyse the Integrated Reporting Assurance and to explain how companies use assurance to legitimate the disclosure of voluntary information included in IR, based on legitimacy theory framework. The motivation is related to a crescent focus on the disclosure and added value of sustainable assurance.

The methodological approach is based on the literature, on a content analysis of Integrated Reports and assurance reports and on a quantitative study on independent assurance reports disclosed on Integrated Reporting. The methodological approach undertakes the analyse of the Integrated Reporting Assurance based on the previous literature review (Gürtürk & Hahn, 2016; Kolk & Perego, 2010; Perego & Kolk, 2012) and on the structure of assurance reports. The empirical studies develop a longitudinal study covering the periods of 2011 and 2016, using data from the reports presented in the "Integrated Reporting Examples Database" from the International Integrated Reporting Council - IIRC. The analysis includes information disclosed by companies, sustainable Assurance Information and evolution of Assured Information in Integrated Reports.

The preliminary results indicate that the companies are increasing the providing, of independent assurance, the assurer's providers are mainly audit companies that also provide the financial audit, the organization type are mainly publicly listed and the independent assurance results most of the time on a limited opinion. The reasons for this limited opinion are indicated has been related to the nature of sustainable data and to expertise considering that the engagement needs to be conducted by a multidisciplinary team. Moreover, the opinion of the assurer's referees that the work done is only to express the assurance conclusion to the directors of the company.

The research limitations are the sample, once it may not represent the whole reports, the content analysis and the statistical analysis.

The contribution of the paper is to determine the companies' motivation for the disclose of Integrated Reporting with assurance, the characteristics of the assured information, the work done by assurance providers and the conclusions that they obtained. The practical implications are based on a better knowledge of the motivations and practices of assurance on Integrated Reporting and sustainable information, that could lead to better decisions and analysis on this subject for academics, practioners, auditors and regulators.

The study is organized as followed: it starts with the presentation of the methodology approached. It continues with a qualitative and descriptive approach with a literature review. After the description of the theoretical framework of this study, it continues with the definitions related to corporate report, shows what the literature says about financial and non-financial reporting, and makes an analysis on the actual financial based corporate report, followed by the presentation of the Integrated Reporting and assurance provided literature. It continuous with the presentation of the data and discussion. Finally, the expected results, the contributions and the limitations of the study are outlined.

2. Research question and objectives

The research question and respective objectives are presented below:
The research question is: What are the characteristics of the assurance provided on Integrated Reporting, for non-financial information?
In order to answer this, the research objectives are: to understand the characteristics of assured information provided on Integrated Reporting and to understand the analysis of assurance providers and the obtained conclusions. The methodological approach, undertakes a quantitative study of the assurance provided on Integrated Reporting.
The research provides a scoped literature review of scientific works that analyses two main groups: corporate reporting and assurance. In the first group it analyses Financial Reporting; Non-Financial Reporting and Integrated Reporting. In assurance it focuses on Financial Audit; Non-Financial Assurance and Integrated Audit. It intends to register the evolution in corporate reporting and makes a trace on the evolution in direction to Integrated Reporting and analyses the evolution of the literature related to assurance on sustainability reports and on Integrated Reports.

3. Methodological approach

The research method that is going to be used is a qualitative study of a systematic literature review on the implementation of Integrated Reporting with a descriptive research design. “Existing literature represents an important element in all research in order to determine what is already known about the topic, what concepts and theories have been applied to it, what research methods have been applied in studying it, what controversies exits, who the key contributors to research on the topic are” (Bryman & Bell, 2011).
The preliminary method of Literature Review is a four steps process (Klovienė & Speziale, 2014) that starts with materials collection; continues with a literature sample on Integrated Reporting; and ends with the material evaluation (papers reviewed looking at Integrated Reporting analysis). The scoped literature review analyses two principal subjects: Corporate

Reporting and Assurance. In Corporate Reporting it analyses: Financial Reporting; Non-Financial Reporting; Integrated Reporting. In Assurance it analyses: Financial Auditing; Non-Financial Assurance and Integrated Audit.

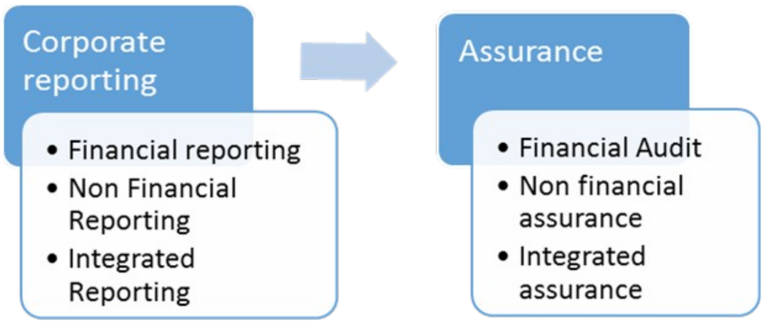

Figure 1: Scoped Literature Review

The methodological approach undertakes the analysis of the Integrated Reporting Assurance based on the previous literature review (Gürtürk & Hahn, 2016; Perego & Kolk, 2012) and on the structure of assurance reports.

To understand the information provided on the integrated reports, and the application of assurance on non-financial information as well as of audit of financial information, the research methodology involves content analysis and a quantitative study with the analysis of the information provided by companies on their corporate reports, with focus on the audit information provided by the auditors concerned both financial and non-financial information.

The basis for the empirical studies, will be the "Integrated Reporting Examples Database", that the IIRC has on its website, and that brings together the reports, and extracts of reports, which illustrate emerging practice in the fundamentals concepts, guiding principles and content elements of the framework of Integrated Reporting. Data will be registered in a MS Excel sheet, where for the verification of compliance it is essentially to do a previous detailed list of requirements. Collected data will be analysed using descriptive statistics and its presentation should be organized in tables.

The "Integrated Reporting Examples Database" present examples of practices in the organizations that show how they report information in a concise way about: strategy, performance, governance, prospects for the future, in the context of each environment, that intend to lead to the value creation not only in short time but also in medium and long term.

Table 1: IIRC Database – Emerging practices illustrated

<IR> Emerging practice illustrate		
<IR> Guiding Principles	**<IR> Fundamental Concepts**	**<IR> Content Elements**
Strategic focus and future orientation	Value creation	Organizational overview and external environment
Connectivity of information	The capitals	Business model
Stakeholder relationships		Risks and opportunities
Materiality		Strategy and resource allocation
Conciseness		Governance
Reliability and completeness		Performance
Consistency and comparability		Outlook
		Basis of presentation

This analysis of the Integrated Reports has the following structure: analysis of the information provided by companies; analysis of Non-Financial Assurance Information; evolution of Audit Information in Integrated Reports. The topics analysed includes the fundamental concepts of the Integrated Report framework of the IIRC, that focus on the value creation process, the identification and classification of the six types of capital, the recommended guiding principles and the content elements (Fried, Holtzman, & Mest, 2014).

4. Literature review

4.1. Current research in corporate reporting

Corporate reporting consists on information disclosure by business about itself, in a wide variety of information and in different ways that can be grouped in two main groups: financial reporting and non-financial reporting. The users of corporate reporting, also called stakeholders, are all those who use corporate reporting such as investors (stockholders), managers and the society as a whole. These stakeholders use the information provided in corporate reporting in order to make decisions. Reporting models are norms or key features of rules that say what information should be disclosed and how that information should be calculated.

4.1.1. Financial Reporting

As financial reporting is based on accounting information, it is important to highline the perspective of Peter Drucker, who said that “accounting has become the most intellectually challenging area in the field of management and also the most turbulent” (Drucker, 1995), that is still actual once accounting needs to be in line with the companies’ challenges. Otherwise, financial reporting would not fulfil its objective, which is to provide financial information about the reporting entity that could be useful for investors and creditors in order to make decisions concerned the providing of resources to one entity (IASB, 2014). Financial reporting is mandatory and its framework is defined by regulators which produce financial statement models along with the rules that companies must follow in producing their statements. Clearly, the information that should be provided by companies is determined by these regulators. Financial reporting is usually reported in the annual report on the companies.

4.1.2. Non - Financial Reporting

The emergence of a new business environment has determined major changes in the organizations strategies, structures, systems, and tools. Some companies, because operating in highly competitive environments, acknowledge that their competitive advantages are no longer sustainable. To proper respond to external but also internal pressure, companies need to manage their social and environmental responsibilities and consequently to change their business report (Klovienė & Speziale, 2014) by including information about their activities on these non-financial areas. Non-financial reporting is everything that the companies' disclosure as not being financial report. The boundary between both is not clearly defined, since non-financial information often discusses or summarizes information drawn from financial report. Non-financial reports are related to sustainability that is "defined as the company's strategy and the relationship between this strategy and the society that grants companies their license to operate. A sustainable strategy is one that enables a company to create value for its shareholders, while at the same time contributing to a sustainable society "(Eccles & Serafeim, 2013).

Non-financial reporting can be: Corporate Social Responsibility - CSR; Sustainability Reporting (SR) or Social and Environmental Reporting - SER. Corporate Social Responsibility was introduced in 2001 by the European Commission. Companies, usually on a voluntary basis, produce CSR to demonstrate to the society as a whole and to the investors in particular, the appropriateness of their corporate behaviour regarding social and environmental aspects (Odriozola, Saánchez, & Etxeberria, 2012). European Union has emitted in 2012 a directive regarding the disclosure of non-financial and diversity information by certain large undertakings and groups (European Parliament, 2014). A sustainability report is a report published by an entity about the economic, environmental and social impacts caused by its everyday activities. The report on corporate social and environmental responsibility is also referred as sustainability reporting (Stubbs & Higgins, 2014).

As shown in figure 1: Evolution on Corporate Report, firstly the information disclosed by companies was financial. Until the latter part of the twentieth century, many sustainability reports took place between corporate annual reports, despite corporate annual report being predominantly financial in its orientation, there were some organizations that used parts of their annual report to disclose sustainability information (Villiers et al., 2014).

Figure 2: Evolution on Corporate Report

Some organizations appear to develop guidance for sustainability reports. Among them, Global Report Initiative – GRI, and the institute of Social and Ethical Accountability, developed the most adopted reporting and assurance standards for Social and Environmental Reporting. This standardization permitted to enhance the credibility and the comparability of the reports. With the increase of the information about corporate social and environmental responsibility disclosed by companies in reports, which are independent from annual reports, it became more difficult for the readers of sustainability reports to appreciate the existing links between different social, environmental and economic impacts. In this context, in 2004 the Princes Accounting for Sustainability Project appear with the aim to address the disconnection for many readers of sustainability reports. The aim of this project was to developed guidance to connect the reports disclosed by companies, and provide a more holistic picture about the interaction in the material of social, environmental and economics actions and impacts on the organizations clearly in the orientation that Integrated Reporting would assume.

4.1.3. Analysis on financial based actual report

There is some criticism on financial based actual report because it is a reporting about the past, more backward-looking than forward-looking. Additionally, financial reports focus on monetary amount, and stakeholders also need qualitative information. This could be company strategy, information about managers and quantitative but non-financial information such as key performance indicators – KPI, like customer satisfaction. Financial reporting is also criticized in view of the gap between the values of companies as measured by the stock market and as shown in the balance sheet. This gap shows that financial statements presented in the financial report are not enough to make decisions about companies. One of the reasons pointed for this gap is the absence of key intangibles from the financial statements. This absence could be solved by the conjugation with financial and non-financial reporting. Users need to understand how the business works, so information about the business success drivers and business models are required. The context presented emphasizes the need of additional non-financial disclosures.

Financial crisis and unemployment, that are among the main interconnected global risks facing business and policy makers, reveal the need of additional information disclosure by companies to allow stockholders to make their decisions. According to King Mervyn, chairman of IIRC, analyzing the findings of world economic forums global risks 2014, "to tackle these issues, companies must adopt a better quality, more meaningful standard of corporate reporting that acts as a catalyst for behavioral change" (Prickett, 2014). The conjugation of the ideas that the supply of financial report is not enough, that there is also the disclosure of non-financial information by companies, and the global risks faced by business, make a new report model appear. This new corporate report shows information disclosed by companies as a whole, permitting to reduce the complexity of reporting by providing non-financial information together with financial reporting, it gives stakeholders all the information they need to value a business, to assess its performance and to make future prospects (ICAEW, 2009).

4.1.4. IR - Integrated Reporting

The development of Integrated Reporting begun in 2009 and lead to the creation of the International Integrated Reporting Council - IIRC, and the publication of the first framework for Integrated Reporting in December 2013, based on an existing South African model (Fried et al., 2014). The framework has been piloted, in a voluntary basis, with experimental Integrated Reporting by an increasing number of companies. The objective of IIRC is to establish a new norm for corporate reporting, Integrated Reporting framework is a principle based approach by defining the overall content and elements, to the new report model.

An Integrated Reporting must not be a serial of separated disclosures but an identifiable communication. It combines in a single document, in a way that reveals the impact in each other, key financial (financial statements and other financial information) and nonfinancial information of the companies. The purpose is to answer the fundamental question: How does financial performance contribute to nonfinancial performance, and vice versa? (Eccles & Krzus, 2010).

Integrated Reporting helps a company both to create value and to tell its story by providing the stakeholders with information on corporate performance across the spectrum of financial, social, intellectual, and natural capital that is necessary for value creation (Tilley, 2013). This gives a more complete picture of the long-term prospects of the business, and helps make better investment decisions (Waygood, 2014). The most critical component of Integrated Reporting is identifying how the organization creates value by using its business model to take inputs, process them and create outcomes. Value process is the process of increase, decrease and transforming these inputs and outputs refers as capitals, according to its unique vision, mission and business model and capitals. Inputs capitals are: financial, manufactured, intellectual, human, social, relationships and natural. "Executives can think of: capital as being similar to "net assets" and the business model as being something like an "income statement" (Fried et al., 2014). The implementation process of Integrated Reporting, focuses on the six capitals in witch Integrated Reporting is based. Integrated Reporting puts together financial and non-financial capitals, reflecting in this way the integrated view of corporations, these capitals shows the two things that matter most in business: money and people. The importance of rigorous financial management has long been acknowledged, but it's only recently that talent development has become a top priority for managers (Tilley, 2014). Together with the financial factors as drivers of growth, it grows the importance of the human dimension inside organizations - customer and supplier relationships, talent development and intellectual capital. Integrated Reporting goes further than the usual report of financial and manufactured capitals, which are the capitals that organizations must commonly report, by also considering intellectual, social and relationship, human capitals (all of which are linked to the human activities) and natural capitals (which provides the environment in which the other capitals sit) (IIRC, 2013a).

An Integrated Reporting "is a concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term" (IIRC, 2013a). Integrated Reporting is a process founded on integrated thinking who "results in a periodic integrated report by an organization about value creation over time and related communications regarding aspects of value creation". Integrated thinking is "the active consideration by an organization of the relationships between its various operating and functional units and the capitals that the organization uses or affects" (IIRC, 2013b). In a temporal perspective, integrated thinking concerns with medium and long-term performance, not focuses only on historic information like financial accounting. In providing a holistic image of how value is created over time, Integrated Reporting will benefit companies by enhancing their communication with stakeholders and improving their internal process. Also, it will allow investors to access more effectively to the impact of the organization's strategy, governance, performance and prospects (Fried et al., 2014).

A report that could fulfil information needs of investors, is essential for the continuity of companies as they need to have capital providers in order to continue operating. The connection between investor's needs and capital needs on the companies, is an essential issue. A corporate reporting that consists on presenting separately financial and non-financial reports, gives investors and analysts a problem because they have to analyse different measurements and reports showing where the company has been, but with lack of information on where it is going. "Now, the new concept of "Integrated Reporting" lends company data and results into a strategy roadmap that details long-term prospects. Integrated Reporting is gaining notice as an investor tool for gauging corporate sustainability" (Druckman, 2014). This recognition by investors of the added value provided with the application of Integrated Reporting, is a determinant factor to the decision of companies to embrace the challenge of applying this new king of reporting.

4.2. Assurance on Integrated Reporting

Integrated Reporting is a hybrid practice between two different worlds: financial reporting and sustainability reporting. This two worlds must reconciled in order to obtain a state of legitimacy of Integrated Reporting. Legitimacy is defined as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995). Thus, in order to obtain legitimacy of Integrated Reporting is important to obtain legitimacy on both financial and sustainability areas of reporting and moreover on the disclosure of integrated information. Integrated Reporting is a "new multifaceted practice developed in complex and pluralistic environment were multiple logics of valuation need to be reconciled in the search for a legitimate agreement or compromise ... compliance in more complex practices and in a pluralist environment are more difficult to account for" (Van Bommel, 2014).

The aspects of legitimacy and compliance are essential for the credibility of the information provided by companies. The research focuses on the information, presented in the Integrated Reporting that is subject of an independent analysis and the subsequent independent assurance of financial and non-financial information. The research intends to analyze the evolution of financial audit reports and sustainability assurance reports presented on Integrated Reporting, and to question if there's an Integrated Assurance in the form of a global assured opinion in the Integrated Reporting. This study responds to calls for more research at the level of assurance and audit of Integrated Reporting to increase is assurance (Villiers et al., 2014); (Gary et al., 2011); (Eccles & Krzus, 2010). As shown in figure 2: Evolution on Corporate Report and Assurance, on consequence of the changes on corporate report, audit as also registered some evolution. Firstly, the information audited was only financial and therefore the audit was also only financial. Then, with the disclosure of non-financial information in separated reports by companies, part of this information was also certified by independent entities and Independent Assurance Statements was produced. Finally, with the companies disclosing the inform in on report, the Integrated Report, the auditing may walk in the way of one integrated audit opinion.

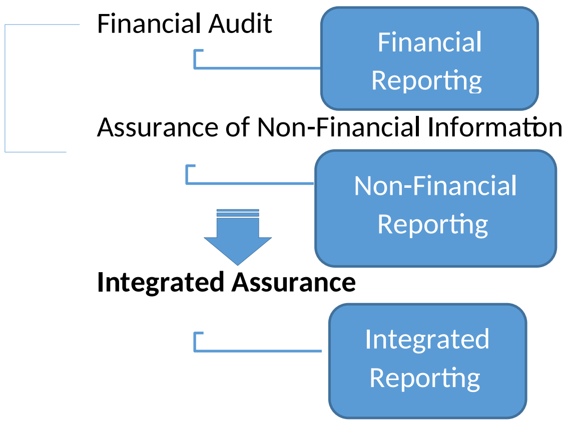

Figure 3: Evolution on Corporate Report and Assurance

Eccles and Krzus refers to the need of assurance methodologies for providing an integrated audit opinion for an integrated report (Eccles & Krzus, 2010). It is important to bring together the financial audit standards organizations and the sustainability assurance standards organizations to establish the process and guidelines for an integrated audit of Integrated Report, in a similar way of bringing together the organizations that have both responsibility for financial accounting and reporting and for nonfinancial accounting and reporting had made possible the establishment of an integrated framework, (Eccles & Krzus, 2010).
The companies that are moving toward Integrated Reporting need to have credibility on the information. The reporting that are subject of independence assurance is more reliable. Nevertheless, fewer companies have a positive assurance opinion on all the information provided in an Integrated Reporting (Reverte, 2015), so, here is the need for more assurance on the environmental reports.
The assurance report can be express in a positive or in a negative way. Positive assurance, is provided when auditors examine evidence and express is opinion about is reliability. Negative assurance, occurs when the auditor express is opinion with a state that there is no reason to suspect that the information is not reliable (Gary et al., 2011). While financial

auditing companies gives a positive assurance about finance information, the assurance opinion about non-financial information is expressed as a negative opinion. Companies also seek for assurance about sustainability information in order to achieve reputational benefits. This expected assurance lead to needs that had to be defined, such as, in what extend the users of information expect assurance, at what level, expressed in a negative or positive opinion, in what form, and as part of the financial information or as a supplement.
The information's presented on the Integrated Reporting that is more reliable are those that are subject to an independent assurance opinion, "the assurance affects investment decisions by increasing the perceived importance of the sustainability information suggests that assurance has a signalling effect, and highlights the importance of making independent assurance public to investors" (Cheng, Green, & Ko, 2015). As the financial audit is mandatory, the reliability of the information reported by companies in an Integrated Reporting is questioned mainly for the sustainability information. For the most part of the companies, if there is any type of third-party assurance on non-financial information in the report, it is voluntary. Even when assurance is provided, it is not done with the same degree of rigor as the audit of a financial report (Eccles & Saltzman, 2011). Since Integrated Reporting provides information about the interactions between financial and non-financial information, it is need one audit of integrated information that presents assurance on a global way about the information as a whole (Eccles et al., 2010).

5. Data analysis

The empirical studies develop a longitudinal study covering the periods of 2011 and 2016, using data from the reports presented in the "Integrated Reporting Examples Database" from the International Integrated Reporting Council - IIRC. The research analyses the evolution of sustainability assurance reports presented on Integrated Reporting, and question if there's an Integrated Assurance in the form of a global assured opinion in the Integrated Reporting. The stages of the empirical study are described below: The first stage of the study will be reviewing the assurance information of the annual reports present on the IIRC database to establish the frequency of non-financial information assurance provision. The second stage involves a content performing analysis on the non-financial information assurance identifying the determinants of Non-Financial Assurance reports and analysing the evolution of sustainability assurance reports presented on the Integrated Reporting and questioning if there's two different approaches to financial and non-financial information, or a global assured opinion (Integrated Assurance).

The data subject to analysis consisted in 101 corporate reports, being 55 from 2016 and 46 from 2011, divided by Europe, South America, North America, Asia, Africa and Australasia. As shown in table 2, the major number of reports belong to Europe followed by Africa.

Table 2: IIRC Database – 2011 and 2012

Year	Region						TOTAL	%
	Europe	South America	North America	Asia	Africa	Australiasia		
2016	31	1	0	7	14	2	55	54,5%
2011	21	5	3	1	13	3	46	45,5%
TOTAL	52	6	3	8	27	5	101	100,0%

Related to the reports of 2011 and 2016, the selected reports present more than 50% of reports with one Independent Assurance Report, as shown in table 3, with one slowly decrease in the percentage of reports with independent assurance.

Table 3: IIRC Database (2016 and 2011): Assurance Report

Region / Year	2016 Assurance					2011 Assurance				
	Yes	%	No	%	Total	Yes	%	No	%	Total
Europe	15	48%	16	52%	31	14	67%	7	33%	21
South America	1	100%	0	0%	1	3	60%	2	40%	5
North America	0		0		0	1	33%	2	67%	3
Asia	3	43%	4	57%	7	1	100%	0	0%	1
Africa	8	57%	6	43%	14	10	77%	3	23%	13
Australiasia	1	50%	1	50%	2	2	67%	1	33%	3
Total	28	51%	27	49%	55	31	67%	15	33%	46

Of the reports assured, the assurer company are mainly the same as the financial auditor, belong to the audit profession, and are part of one of the main audit companies: PwC - PricewaterhouseCoopers Incorporated; KPMG Services Limited; Deloitte and E&Y - Ernst & Young. The Independent assurance providers that don't belong to the audit profession are Sustainability Consultants such as: Bureau Veritas; Net Balance; Ibis ESG Assurance Proprietary Limited and DNV GL. Data is consistent and present 86-88% of the assurance providers as belonging to the audit profession.

Table 4: IIRC Database (2016 and 2011): Type of Assurer

Type of Assurer	2016	%	2011	%
Audit profession				
PwC	8	28%	9	26%
KPMG	9	31%	11	32%
Deloitte	3	10%	4	12%
Ernest & Young	5	17%	6	18%
Sub-total	25	86%	30	88%
Sustainability consultants				
Others	4	14%	4	12%
Sub-total	4	14%	4	12%
Total	29	100%	34	100%

Regarding the audit opinion, data is consistent, presenting in both years (2016 and 2012) about 88% of Limited Assurance Report and only 12% with one Reasonable Assurance Report.

Related to the Sustainability Reporting Guidelines that the companies are using to prepare their Integrated Reporting mainly regarding Sustainability Information are as follow: GRI - Global Reporting Initiative; United Nations Global Compact; King Report on Corporate Governance for South Africa and AA1000 AccountAbility Principles Standard. The Independence Assurance Standards used by the assurers consist mainly on the following standards: International Standard on Assurance Engagements (ISAE 3000) Assurance Engagements other than Audits or Reviews of Historical Financial Information, issued by the International Auditing and Assurance Standards Board; AA1000 AccountAbility Principles Standard (AA1000 APS); AA1000 Assurance Standard (AA1000AS) and International Standard on Quality Control (ISQC 1).

6. Findings

The preliminary results indicate that the companies are providing independent assurance in about 50% of the Integrated Reports subject of analysis, the assurer's providers are mainly audit companies that also provide the financial audit, the organization type are mainly publicly listed and the independent assurance results most of the time on a limited opinion. The reasons for this limited opinion are indicated has been related to the nature of sustainable data and to expertise considering that the engagement needs to be conducted by a multidisciplinary team. Moreover, the opinion of the assurer's referees that the work done is only to express the assurance conclusion to the directors of the company.

7. Research contribution, limitations and Future work

The research limitations are the sample, once it is constituted by reports that were selected by the IIRC and may not represent the whole reports, the content analysis and the statistical analysis. Moreover, the main limitations consist on the initial phase of the data analysis.

The contribution of the paper intends to be the determination of the companies motivation for the disclose of Integrated Reporting with assurance, the characteristics of the assured information, the work done by assurance providers and the conclusions that they obtained.

The practical implications are based on a better knowledge of the motivations and practices of assurance on Integrated Reporting and sustainable information, that could lead to better decisions and analysis on this subject for academics, practioners, auditors and regulators.

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