

UK Investment Performance Committee (UKIPC)
Response to
GIPS Exposure Draft Guidance Statement on Verification

1 About the UKIPC

The UK Investment Performance Committee (UKIPC) is the UK national sponsor for the Global Investment Performance Standards (GIPS). It brings together representatives of asset owners, advisors, managers, verifiers, measurers, analysts and other parties with an interest in the continuing development and promotion of transparent, consistent and ethical investment measurement performance standards.

We are grateful to the CFA Institute and the volunteers on the various GIPS committees, subcommittees and working groups for their work in updating the GIPS Guidance Statements in line with the 2010 version of the GIPS. We welcome the opportunity to comment on the Exposure Draft Guidance Statement on Verification.

2 Response

Verification firms in the UK are generally comfortable with the exposure draft and do not see the need for revisions to the proposed version. The draft treads a fine line between being clear about what is required and allowing flexibility to accommodate local guidance as issued by organisations such as the Institute of Chartered Accountants (ICAEW). The general view is that the balance is about right.

Firms feel that there will inevitably be additional “standard” language in the verification report setting out clearly the limitations inherent in the verification process and the responsibilities of the verification firm to potential third parties who may receive the report. They agree that it is best to leave it to individual verification firms to make their own decisions on the exact form that such language should take, bearing in mind relevant local guidance in individual markets.