6. Simmonds K. Strategic management accounting for pricing: a case example // Accounting and Business Research. - 1982. - № 12(47). P. 206-214.

7. Simmonds K. The accounting assessment of competitive position // European Journal of Marketing, Organization and Society. - 1986. - № 12(4). P. 357-374.

8. Bromwich M. The case for strategic management accounting: the role of accounting information for strategy in competitive markets // Accounting. Organisation and Society. – 1990. - № 1. P. 27-46.

**Лугова О.І.,**
канд. екон. наук, старший викладач
кафедри обліку і оподаткування
Миколаївський національний аграрний університет
м. Миколаїв

## SUSTAINABILITY REPORTING AND INTEGRATED REPORTING

Large corporates have come under increasing pressure to conduct their business in a more transparent and responsible manner. In order for business to fulfil its obligations under the ethic of accountability stakeholders must be given relevant, timely, and understandable information about their activities through corporate reports. The conventional company reports on annual financial performance, sustainability and governance disclosures often fail to make the connection between the organization’s strategy, its financial results and performance on environmental, social and governance issues. Recognizing the inherent shortcomings of existing reporting models, there is a growing trend to move towards integrated reporting [1].

A sustainability report is a report published by a company or organization about the economic, environmental and social impacts caused by its everyday activities. A sustainability report also presents the organization’s values and governance model, and demonstrates the link between its strategy and its commitment to a sustainable global economy. Sustainability reporting can help organizations to measure, understand and communicate their economic, environmental, social and governance performance, and then set goals, and manage change more effectively. A sustainability report is the key platform for communicating sustainability performance and impacts – whether positive or negative [2].

Sustainability Reporting is about communicating the organization’s approach to managing its key environmental and social issues. It is about communicating publicly how the company assesses which environmental and social issues are most significant to the company (“materiality”), how these issues are managed and how the company is performing against each of these key issues (performance data).

An integrated report is a narrative document – in contrast to numerical financial statements – that explains how a company’s current operations may affect its long-term profits. It’s often illustrated by information graphics and statistics, but the focus is on explaining the connections between the company’s various activities and how the different parts contribute value.

Integrated reporting is one step further – about communicating, how the company manages its long term value creation by taking an integrated approach to both traditional risks and these wider sustainability risks. Instead of reporting on financial performance and sustainability performance separately, or even within the same AR, Integrated Reporting intends to show how the company integrates environmental & social thinking into its business [3].

Comparison of Financial, Sustainability, and Integrated reports is shown in the table below.

Table 1. Comparison of Corporate Reporting

| Item | Financial report | Sustainability report | Integrated report |
|---|---|---|---|
| Information | contains a set of numbers indicating the most recent financial and economic health of the organization. Key information is revenue, tax paid, profits, assets, liabilities, and cash flows | contains mainly non-financial data. It includes such things as employee satisfaction and corporate awareness of the local community, through to recycling and carbon reduction initiatives | contains both financial and non-financial data linked by a narrative explaining what the data means for future corporate profitability. Also, how the company can derive profit from programs that benefit the social and natural environment |
| Users | investors, stockbrokers, providers of finance and capital, and government regulators | a wide circle of stakeholders employees, customers, the general community, investors, and business suppliers | equity investors, stockbrokers, and providers of debt finance |
| Materiality | is a concept used by an auditor to assess whether a piece of financial data would influence a finance provider’s investment decisions, and then to determine the data’s accounting treatment or whether it is worthy of a special note | is a relevance filter that helps decide whether information should be included based on whether it is important enough to the various interests of the audience to be covered by the report | is a relevance filter that helps decides whether information should be included based on whether it could influence the providers of finance capital to provide, or withhold, capital to the organisation in the short, medium or long-term |
| Time horizon | is backward looking. It contains data for the financial year just ended, and typically the year before that. | looks to the near past, present and near future | looks to the near and far future |
| Format | primarily numerical, and the numbers are presented according to the country’s relevant accounting standard | both numerical and narrative | primarily narrative |
| Audit | must be audited, with exceptions for smaller companies | can be assured, which is a broader term than audit. Assurance of sustainability reports is not mandatory. | data can be assured according to the same standards that apply to financial and sustainability reporting. The narrative cannot be assured |
| Rules | is prepared according to rules set by the country’s relevant accounting standard and submitted to the country’s corporate regulator | is prepared according to the various global standards for non-financial reporting, or the latest version of the Global Reporting Initiative | is prepared in accordance with the descriptive framework provided by the International Integrated Reporting Council. |

Sustainability reporting can be considered as synonymous with other terms for non-financial reporting; triple bottom line reporting, corporate social responsibility reporting, and more. It is also an intrinsic element of integrated reporting; a more recent development that combines the analysis of financial and non-financial performance.

Building and maintaining trust in businesses and governments is fundamental to achieving a sustainable economy and world. Every day, decisions are made by businesses and governments which have direct impacts on their stakeholders, such as financial institutions, labor organizations, civil society and citizens, and the level of trust they have with them. These decisions are rarely based on financial information alone. They are based on an assessment of risk and opportunity using information on a wide variety of immediate and future issues [2].

The value of the sustainability reporting process is that it ensures organizations consider their impacts on these sustainability issues, and enables them to be transparent about the risks and opportunities they face. Stakeholders also play a crucial role in identifying these risks and opportunities for organizations, particularly those that are non-financial. This increased transparency leads to better decision making, which helps build and maintain trust in businesses and governments.

The integrated report's conciseness (ideally), plus its focus on the long term, are the fundamental differences between it and an annual report.

What makes it different from a sustainability report is that an integrated report asks whether the impacts that have been identified in a sustainability analysis will have a positive or negative effect on the company's value.

The other key difference between an integrated report and a sustainability report is that an integrated report needs board sign-off. That encourages companies to ensure the finance team is involved in the making of an integrated report.

An integrated report is not intended to replace a company's financial statements, although it typically replaces the annual report. It may also replace the sustainability report, although this possibility is more controversial [4].

So in other words, an integrated report should provide an outline of the future by linking financial and non-financial data to estimate how current operations might create (or destroy) profits in the future. Non-financial data might range from such things as employee satisfaction, through the amount of water a company uses per production unit, all the way to external social wellbeing.

Literature

1. Integrated reporting vs. sustainability reporting for corporate responsibility in South Africa / Alexandra F. Clayton1, Jayne M. Rogerson, Isaac Rampedi // Bulletin of Geography. Socio–economic Series / No. 29 (2015): 7–17

2. About Sustainability Reporting // available at: https://www.globalreporting.org/information/sustainability-reporting/Pages/default.aspx

3. Carrie Johnson What is the difference between Sustainability Reporting & Integrated Reporting? // available at: https://paiaconsulting.com.sg/what-is-the-

difference-between-sustainability-reporting-integrated-reporting/
4. Prue Moodie What is an Integrated Report? // available at: http://www.integratereport.com/what-is-integrated-reporting/

**Луговська О.Р.,**
здобувач вищої освіти спеціальності «Облік і оподаткування»,
2 курс, факультет економіки, бізнес-аналітики та підприємництва
Науковий керівник - **Єремян О.М.,**
канд. екон. наук, доцент, доцент
кафедри обліку, аудиту і оподаткування
Херсонський національний технічний університет
м. Херсон

## ПОРІВНЯЛЬНИЙ АНАЛІЗ НАЦІОНАЛЬНИХ ТА МІЖНАРОДНИХ СТАНДАРТІВ ОБЛІКУ ДЕБІТОРСЬКОЇ ЗАБОРГОВАНОСТІ

Сучасні підприємства здійснюють свою діяльність в умовах динамічного розвитку розрахунково-платіжної системи, що прямо впливає на стан галузей економіки. Складним компонентом розрахунково-платіжних відносин є взаємна заборгованість підприємств та внутрішні розрахунки підприємства.

З метою правильної організації обліку, наступного погашення й списання заборгованості з балансу потрібно дати визначення поняттю «дебіторська заборгованість».

Дебіторська заборгованість - суми, які нараховуються підприємству від покупців за товари або послуги, продані в кредит.

Установлено, що дебіторську заборгованість можна розглядати у трьох аспектах:

1) як спосіб погашення кредиторської заборгованості;
2) як частину проданої продукції покупцям, але ще не оплаченої;
3) як один з елементів оборотних активів, які фінансуються за рахунок власних або позикових коштів [1].

Система бухгалтерського обліку кожної країни в процесі свого історичного розвитку формувалася під впливом цілої низки факторів, пов'язаних з відповідним соціальним , економічним і культурним середовищем. Таке різноманіття систем бухгалтерського обліку привело до формування міжнародних систем регулювання бухгалтерського обліку, найбільш поширеними серед яких є МСФЗ (Міжнародні Стандарти Фінансової Звітності), що мають успіх серед компаній країн європейської частини світу та деяких країн Азії, та американські GAAP (Загальноприйняті Принципи Фінансового Обліку), використовувані в США, Великобританії та Японії . Оскільки Україна є європейською країною, то необхідно більш пильну увагу звернути на МСФЗ. Відповідно до Закону України «Про бухгалтерський облік та фінансову звітність в Україні», національні стандарти бухгалтерського обліку не повинні суперечити міжнародним.