

ENHANCING ORGANIZATIONAL REPORTING

IFAC:

- Supports organizational reporting of broad-based information that is important to stakeholders for managing and directing operations, decision making, promoting transparency, and the discharge of accountability;
- Supports such reporting in accordance with robust international reporting frameworks that produce information on which assurance conclusions can be expressed, in accordance with high-quality international assurance standards;
- Recognizes that the accountancy profession has a significant contribution to make, and an important role to play, in developing and implementing enhanced organizational reporting. Professional accountants also play an important role in organizations' broad-based organizational reporting arrangements, and in providing assurance;
- Strongly supports the International Integrated Reporting Council (IIRC) and the development of the Integrated Reporting (<IR>) Framework; and
- Recognizes that there is a range of different frameworks and regulations available and being developed, and considers it important to examine the relationship between these frameworks and to promote global consistency and convergence.

IFAC is of the view that it is in the public interest for organizations to report more broad-based information that is important to, and useful for, stakeholders, whether inside of or external to an organization; and that: (i) promotes transparency and accountability; (ii) provides a more complete view of an organization's position, performance, and longer term potential and sustainability; and (iii) provides critical information for stakeholders in making decisions, in particular with respect to those aspects of an organization's operations that are not fully reflected in financial statements.

What is Enhanced Organizational Reporting?

This reporting involves the provision of decision-useful information to organizational stakeholders beyond that which is provided in traditional financial reporting and financial statements; and may provide important links between that financial reporting and other organizational reporting. IFAC strongly supports the work of the IIRC in developing its <IR> framework, which is an example of such enhanced reporting.

Contribution of the Accountancy Profession

The accountancy profession has a great deal to contribute to, and a key role to play in, enhancing organizational reporting. The profession has a long history of involvement in a number of key areas—e.g., developing and improving reporting processes and controls; identifying, measuring, and reporting key financial and other information—that are important to the development and implementation of organizational reporting frameworks that go beyond traditional financial reporting.

Global Consistency

IFAC recognizes that there are a range of different organizational reporting frameworks and regulations available and being developed, and considers it important to examine the relationship between these frameworks and promote global consistency and convergence.

The Role and Work of IFAC

With respect to the development of improved organizational reporting, IFAC: (i) contributes to the work undertaken by the IIRC, the Global Reporting Initiative, and the Climate Disclosure Standards Board; (ii) monitors developments and encourages professional accountancy organizations, accountancy firms, and individual professional accountants to be involved in initiatives to improve organizational reporting; and (iii) aims to support professional accountants in business to evaluate and improve performance management and business reporting in their organizations.