CODEN [USA]: IAJPBB ISSN: 2349-7750

INDO AMERICAN JOURNAL OF
PHARMACEUTICAL SCIENCES

http://doi.org/10.5281/zenodo.3351250

Available online at: http://www.iajps.com Research Article

BALANCE IN INTEGRATED REPORTING

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Abstract:

The article proposes a specially designed form of balance in the formation of integrated reporting organizations on the basis of accounting data structured by strategic objectives. In the author's method of solving the organizational and methodological problem of providing a wide range of interested users with a sufficient amount of information in a concentrated form, the emphasis is on reflecting the necessary elements in the asset and liability balance sheet for strategic areas of development, commitments and interaction on projects and programs that affect the economic, environmental and social performance, capital modifications, identification of opportunities provided and protection against threats claims on the basis of a structured accounting information. We propose to form the asset balance from three sections: resources for sustainability, resources for innovative development and degradation, identified risks. Resilience resources are industrial-industrial, biological and natural-ecological resources (including buildings, structures, machinery, equipment, biological assets, land assets), intellectual and human resources, financial resources, resources in the social sphere and resources in the natural-ecological sphere. We consider it expedient to include resources for ensuring the needs of the population with products, works and services of domestic production, resources for improving the organization's production competitiveness, resources for deep processing of raw materials, resources for improving, restoring and increasing the productivity of land and other natural resources used in agricultural production. , resources for recycling and ecosystem restoration, resources for sustainable development areas and improve living standards. Resources for degradation, we propose to allocate separately for clarity. We suggest forming liabilities from four sections: three sections on commitments and interactions (separately on economic projects and programs, on social projects and programs, on environmental projects and programs), and also on the fourth section to highlight obligations and interactions on diversification of risks. According to the values of interactions, as the semantic axes of the activity of the economic entity, this will allow to determine the direction of capital transformation and provide reporting information on projects and programs that are significant for the organization and society, affecting the economic, environmental and social performance of the organization in terms of sustainability, development (acceptance) or degradation (perception of threats) in the formation of value added.

Keywords: *accounting, value added, capital, strategy.*

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Please cite this article in press Liudmila Khoruzhy et al., ***Balance In Integrated Reporting.,*** *Indo Am. J. P. Sci, 2019; 06(07).*

INTRODUCTION:

International standards for integrated reporting organizations are encouraged to reflect the various types of capital of the organization [1], but apart from indicating the need for detailed information about the size and modifications of various types of capital, there is no regulation on how to structure the reporting information. Meanwhile, the organizational and methodological problem of providing a wide range of interested users with a sufficient amount of information in a concentrated form on development directions that affect the economic, environmental and social efficiency of activities is important [2, 4, 10, 12, 14].

The relationships of the organization and its counterparties are based on their values, which can be positive and negative. On the philosophy of positive, obvious, and negative, potential, information wrote T. Adorno [5]. The problem of systems thinking in the aspects of economic, social and environmental sustainability was studied in D. Bell [6], D. Medouz [7]. G.S. wrote about the differences in the forms of capital and the need for reporting information on them. Becker [8], P. Bourdieu [9]. The reflection in the reporting of business entities of the size and capital modifications was devoted to the work of V.G. Getman [4], M.M. Gurskaya [11], D.A. Endovitsky [10], M.I. Cooter [11], N.P. Lyubushin [10], I.R. Sukharev [13], K.Yu. Tsygankov [16] and others [3, 4, 10, 15]. But with all the value of the results of the research, it should be noted that the question of reflecting information about the amount of resources and sources of their formation in the formation of integrated reporting organizations requires further study.

The purpose of the study is to determine the appropriate grouping of capital information in the integrated reporting of organizations.

RESULTS AND DISCUSSION:

For the formation of integrated reporting, it is advisable to group resources with a focus on sustainability and development in accordance with strategic objectives (Figure 1). Then the selected values will determine the system of semantic axes of the activity of the economic subject; they can be divided into intellectual, industrial, biological, environmental, social, financial values by economic activity in the aspects of sustainability, development (acceptance of opportunities) or degradation (threat perception), which requires appropriate presentation of information on significant projects and programs that affect the economic , environmental and social performance of activities, identification of opportunities provided and protection against threats of risks in the formation of value added.

Assets in financial statements	Assets in integrated reporting
1. Fixed assets	1. Resilience resources (supporting competitiveness)
2. Current assets - total, including:	2. Resources for development / degradation (+ / -) - total, incl.:
2.1. Stocks	2.1. Resources to meet the needs of the population products, works and services of domestic production
	2.2. Resources to improve the organization's industrial competitiveness
2.2. Receivables	2.3. Resources for deep processing of raw materials
	2.4. Resources for improving, restoring and increasing the productivity of land and other natural resources used in production
2.3. Cash and cash equivalents	2.5. Resources for recycling and ecosystem restoration
	2.6. Resources for sustainable development of territories and raising the standard of living of the population
	2.7. Degradation resources
Total assets	Total resources

Figure 1: Proposed reclassification of resources in the asset balance

To recognize the various elements of the reporting they need to be included in the reporting forms. The balance sheet as a form of reporting organizations traditionally plays the role of focusing users on data on resources and sources of their formation, the capital of an economic entity [10, 11, 13, 15]. Therefore, the formation of the balance in the integrated reporting organization will be able to provide a wide circle of interested users with a sufficient amount of information in a concentrated form about the resources in the grouping of the strategic goals of the activity and the sources of their formation (Table 1).

Table 1: Proposed balance structure in integrated reporting

Assets	Passive
I. Resilience resources - total, including:	I. Obligations and interactions on economic projects and programs - everything, including:
1.1. Industrial and industrial, biological and natural-ecological resources - in total, including: - buildings, structures, machinery, equipment, etc.; - biological assets; - land assets	Calculations and interactions with suppliers of financial, industrial and industrial, biological, intellectual and human capital
1.2. Intellectual human resources	Intellectual human capital
1.3. Financial resources	Financial capital
1.4. Social Resources	Industrial and Industrial Capital
1.5. Resources in the natural-environmental field	Biological capital
II. Innovative development / degradation resources - total, including:	II. Obligations and interactions on social projects and programs - everything, including:
2.1. Resources to meet the needs of the population products, works and services of domestic production	Calculations with the budget for social interactions - everything, including: Payments for taxes and fees
2.2. Resources to improve the organization's industrial competitiveness	Settlements with other counterparties on social interactions
2.3. Resources for deep processing of raw materials	Social capital
2.4. Resources for improving, restoring and increasing the productivity of land and other natural resources used in agricultural production	III. Obligations and interaction on environmental projects and programs - total, including:
	Calculations with the budget for environmental interactions
	Calculations with counterparties on environmental interactions
2.5. Resources for recycling and ecosystem restoration	Natural and Ecological Capital
2.6. Resources for sustainable development of territories and raising the standard of living of the population	IV. Obligations and interactions to diversify risks - everything, including:
	Accepted business development opportunities
2.7. Degradation resources	Risk hazards insurance
III. Identified risks	Risk avoidance
Balance	Balance

We propose to form the asset balance from three sections: resources for sustainability, resources for innovative development and degradation, identified risks. Resilience resources are industrial-industrial, biological and natural-ecological resources (including buildings, structures, machinery, equipment, biological assets, land assets), intellectual and human resources, financial resources, resources in the social sphere and resources in the natural-ecological sphere. We consider it expedient to include resources for ensuring the needs of the population with products, works and services of domestic production, resources for improving the organization's production competitiveness, resources for deep processing of raw materials, resources for improving, restoring and increasing the productivity of land and other natural resources used in agricultural production. , resources for recycling and ecosystem restoration, resources for sustainable development areas and improve living standards. Resources for degradation, we propose to allocate separately for clarity.

We propose to form the liabilities side of the balance in four sections: commitments and interactions on economic projects and programs, commitments and interactions on social projects and programs, commitments and interactions on environmental projects and programs, obligations and interactions on diversification of risks. Commitments and

interactions on economic projects and programs include, in our opinion, calculations and interactions with suppliers of financial, industrial and industrial, biological, intellectual and human capital, intellectual and human capital, financial capital, industrial production capital, biological capital.

Financial capital includes funds of debt and equity financing, grants and funds from production and financial activities that the organization has. Intellectual-human capital is the competences and loyalty of employees of the organization, their abilities and experience, ethical norms and motivation adopted in the organization, that is, incentives that encourage employees of the organization to active productive work. The notion of human capital includes a set of investments in a person (expenses on education, professional skills, consumer spending, medical care, culture, food, clothing, housing). Therefore, it is expedient to consider the listed investments of organizations not as expenses of the current period, but to capitalize. The growth of qualifications and the education of employees of organizations have always been, and are now a necessary prerequisite for the growth of production efficiency and labor productivity. If in technological matters organizations can keep up with the times, constantly increasing and modernizing industrial capital, the discrepancy between the speed with which knowledge is accumulated in the modern world and the rigidity of workers' competences once obtained can deprive an organization of competitive advantages. Human capital is the main factor in the development of the industrial economy, at the peak of the development of which a theory was proposed that substantiated the concept of human capital [8]. For our part, we note that considering a person as an integral part of an organization's capital is acceptable in theories of economic growth, which aim at production for the sake of production no matter what. With the emergence of the market, at the unsaturated and partially saturated stages of market development, economic theories considered human physical abilities to be the basis for the production of goods (works, services), and with the development of machine production, the consumer attitude to labor resources and the feeling that any qualified work could be done using machines. In the financial statements of organizations in addition to indicators of labor productivity, users were not interested in other characteristics of the organization's employees. But for organizations that have the intention to be united (integrated) with society, it is advisable to demonstrate a departure from attitudes towards a person as a production unit and a transition to a policy of interactions between people according to the same values. And, since any activity is aimed at meeting those or other human needs, we can talk about intellectual and human capital. The quality of human life is put at the forefront in the concept of sustainable economic development, and therefore one should take into account not man for production, but production for man. The key asset of the XXI century is the knowledge of people, objects of intellectual property of the organization. intangible assets at the disposal of the organization. It can be patents, licenses, brand and reputation of the organization, know-how and other implied knowledge, systems, procedures, protocols. These resources have come to the fore both for organizations and for the state, the degree of development of which is largely dependent on the results of the activities of economic entities. For a long time, investing in a person was considered a costly, unproductive factor. The impetus to the recognition of intellectual and human capital as the main productive and social factor in the development of the modern economy was the growth statistics of the economies of developed countries of the world, which exceeded calculations based on the consideration of classical growth factors.

Industrial production capital - buildings, structures, equipment available to the organization for production and business activities, investments in which are directed to the creation and reproduction of fixed assets (new construction, expansion, reconstruction and modernization of facilities that lead to an increase in the value of objects.

Biological capital - an important category for agricultural producers, includes land, farm animals, agricultural crops. Separately, in the balance of integrated reporting, biological capital is appropriate to distinguish between land, animals and plants in general as part of the natural environment with which organizations of all sectors of the economy interact from lands, animals and plants for agricultural purposes intended for agricultural production.

Obligations and interactions on social projects and programs include the organization's calculations with the budget on taxes and fees, other social interactions of the organization with other counterparties and the budget on social interactions, social capital. Social capital is the value of alliances with business partners (customers, suppliers, representatives of local communities and trade unions, legislative and regulatory bodies and individuals) interacting with the reporting organization. Aware of the social responsibility of business in front of society, organizations pay social insurance contributions, as well as provide support to health care facilities, science, culture and sports in the regions of presence.

Obligations and interactions on environmental projects and programs include the calculations of the organization with the budget and other counterparties on environmental interactions, natural-ecological capital. Natural-ecological capital is values in renewable and non-renewable natural environment resources (air, water, land, minerals, forests, biodiversity, ecosystem well-being) as part of a world consisting of particles and subparticles that are dependent on each other as opposed to the atomic approach of the industrial of society. Construction and maintenance of gas dusting plants, the introduction of low-waste and waste-free production, the use of water treatment plants, recycling of production waste, the operation of anti-erosion, anti-mud facilities, terracing of steep slopes, land reclamation, improvement of low-productive farmlands, reproduction and protection of fish stocks, wild animals, birds and wild animals, wild birds and wild animals, and low-productive agricultural lands, reproduction and protection plants contribute to the protection of the atmosphere, soil and water.

Obligations and interactions to diversify risks include, in our opinion, accepted opportunities for business development, risk insurance, risk avoidance.

CONCLUSION:

By forming a balance sheet according to the author's methodology, an organization will be able to provide a wide circle of interested users of integrated reporting with a sufficient amount of information about the size of the capital types used in a concentrated form. It will reflect the necessary elements for strategic areas of development, commitments and interactions for projects and programs that affect economic, environmental and social performance, modification of capital, identification of opportunities provided and protection from threats of risks based on structured accounting information.

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