

CORPORATE REPORTING IN THE TARGET DESIGN OF THE ENTREPRENEURSHIP SYSTEM

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ABSTRACT

***Aim of the study:** Modern concepts related to the preparation of integrated corporate reporting, as one of the areas of development of accounting and a new approach to the organization and management of accounting and financial business processes with the integration of financial and non-financial information required by a wide range of stakeholders, has recently received increased attention.*

***Methodology.** A factor in the development of knowledge in the field of information integration, the formation of integrated corporate reporting was the transition of Russia from the industrial economy to the digital, which provides for "the formation of the information space, taking into account the needs of citizens and society in obtaining quality and reliable information» ; creation of an economic system, the data of which "in digital form are the key factor of production in all spheres of social and economic activity", and provide effective interaction of business, scientific and educational community, the state and citizens.*

***Conclusion:** The concept of development of public non-financial reporting and action plan for its implementation, which recognized the high importance of non-financial reporting in modern economic conditions.*

Keywords: Entrepreneurship, Business, System, Stock, Corporate, Formation.

INTRODUCTION

The international Council for integrated reporting presents it as "A comprehensive compact message to all stakeholders on how the organization's strategy, management, activities and future plans, taking into account the external environment, lead to short -, medium-and long-term value creation" (Calisto, 2017). Integrated reporting is characterized as a modern, actively used channel of information exchange to meet the interests of a wide range of stakeholders, the idea of creating, which was originally

"Based on an attempt to consolidate information - combining into a single system of financial and non-financial performance indicators of the company."

LITURATURE REVIEW

Today, integrated reporting is seen primarily as an effective way of describing the ability of corporate entities to sustainably operate and maintain their value creation potential (Abramov, 2017; Miles, 2009). Its main method is to summarize and integrate key information on management, strategy, risks, operations, financial and non-financial activities (Abramov, 2018). According to the developers of the concept of integrated corporate reporting, this combination of information with the presentation of a wide range of social, managerial, environmental and other issues related to doing business, allows to bring together the accounting and market value of

companies due to the wide disclosure of the impact of various factors on the capital of the reporting organization (Urbano, 2013). It is recognized that the increase in the value of the company is largely determined by the ability to manage not only financial and material flows, but also a whole range of capital and resources: financial, industrial, human, intellectual, natural, social (Koshkin, 2018). However, non-financial indicators to be disclosed in traditional reporting are truncated and perceived by users of such reporting as insufficiently reliable and non-comparable (Hornsby, 2013). Accordingly, they cannot be seen as a sound basis for most strategic financial decisions.

METHODOLOGY

In modern conditions, the study of principles, concepts, components, methods of annual integrated corporate reports faces many theoretical and practical issues (Akhmetshin, 2018). The main ones are: what should an integrated report contain? what are the main types and types of resources and capital used by the organization and what do they affect?; who is accountable to the organization and what are the information requests of users?; what are the possibilities of business in the field of measurement, management and connection in a single information space of social and social interaction with the outside world?; is it possible to capture and report on sustainable development and growth? The answers to these questions are of constant concern and concern to a huge number of interested managers, managers, consultants, scientists, regulators and owners around the world (Abramov, 2015).

In this regard, the correct understanding of the conceptual content of the processes of integration of accounting and reporting systems, taking into account current trends in business and increasing its social responsibility to society, is of particular importance. In the opinion (Hemingway, 2005).

A new model of integrated reporting is seen as an opportunity to obtain a more complete picture of the activities of the companies in question that reflects the risks and opportunities while the more logical links the factors of Kalabikhina et al.

"Environmental, Social and Governance" (ESG, environmental, social and public) and financial results of the company."

As our research has shown, one of the key distinctive elements of integrated corporate reporting is information on various types of capital and resources that are actively involved in the organization's economic activities to ensure sustainable development (Hornsby, 2013). The multiplicity of, and sometimes even the ambiguity of identification used in capital and resources imply the need for full and comprehensive disclosure of information about them and dictate the use of appropriate methods of keeping and presenting them in the accounts (Kuratko, 2013). For example, in the category of intellectual capital, disclosure.

"Means the description in the annual report and other reports of the company of any evidence of the existence and use in its activities of intangible assets"

The same is true for financial, industrial, human, cultural and other capital (Nason, 2015). In our opinion, the modern concept of integrated corporate reporting should be based on information reflecting the full life cycle of the company (Sakhdari, 2018). In its internal content, the process of preparation and presentation of integrated corporate reporting should be considered as a set of procedures that result in information on the strategic activities of the organization, the creation of additional value over time and a vision for sustainable business development (Morozov, 2018).

RESULTS AND DISCUSSION

The initial information block of integrated reporting reveals the company's mission in the Russian market, the direction of the business strategy, the individuality of the business model, the factors of internal and external environment that affect the creation of additional value.

Disclosure of the current operation of the company is the most informative part of the reporting, as the data should characterize the received value added by core activities, the results of achieving this goal by reflecting the financial, social, social and environmental positions, through the integration of financial and non-financial indicators (Baboshkina, 2018).

The stage of the long-term future in the integrated report should be disclosed in the part of the forecast of sustainable business development taking into account the risks and opportunities of the company in the medium and long-term periods.

Implementation of the concept of creation and preparation of integrated corporate reporting involves improving the methodological support of the information integration process, determining the principles of its synthesis and analysis. The main essential characteristic of the integration process is the Union of disparate elements into a single whole, which after integration begins to have additional properties that are not reduced to a simple sum of them (Kearney, 2008).

Such properties expand information and communication characteristics of the most integrated system; give it a new quality emergence (Yao, 2009).

It should be noted that a similar approach is used in the modern concept of corporate accounting and reporting, which is based on a single information platform of accounting, management and tax accounting systems, allowing to integrate different types of accounting information into a single whole (Abramov, 2016).

At the moment, the category of accounting information is considered rather unilaterally, although researchers recognize its complex systemic nature (Kathuria, 2007).

Thus, it should be noted that, despite the presence of different approaches and interpretations of the category of "*Accounting Information*", the majority of scientists and practitioners in the field of accounting formed a common understanding of the nature and essence of accounting information. The General approach assumes that the theoretical and practical category of accounting information is based on a more General subject-category design related to the information as a whole. The latter, at the moment, is the subject not only of scientific research or practical development, but also of legislative regulation. According to the interpretation offered in the Russian Federal law "*On information, information technologies and on information protection*", any "*Data (messages, data) irrespective of the form of their representation*" are understood as information.

Information and communication scientists use a broader approach that reflects the ambiguity and diversity of systemic understanding of the world around them. According to their ideas, information is related to the order, consistency of material and intangible objects around us, that is, it is considered as embodied in their physical order.

The comprehensive nature of information and communication interactions in the world around us is reflected in the systematic representation of human activity through an ever-increasing, accumulated and regularly updated set of information units that are not only material but also spiritual in nature. This allows accounting information to be viewed hierarchically, as a set of data of various real and virtual manifestations of the reality around us.

In the General information space it is possible to allocate its local areas, in particular, area of administrative economic information - that on the basis of which various administrative decisions are made. The latter acts as the main link between the control and managed systems, the connection between which is carried out by means of data, information, messages, which serve as

"The basis for the development of management actions and decisions coming from the control system to the system controlled for execution."

The targeted nature of the management process inevitably implies that the information flows formed in it and for its implementation are purposeful, streaming in nature, which reflects the General meaning or internal content of a particular economic situation. Traditionally, a significant part of these information flows is formed or used for accounting, tax or management accounting and is considered under the General name "*Accounting Information*". The latter is aimed at consistent

"Reflection in a different form of accounting events in the structure of the accounting system."

In international practice, recently received an approach according to which accounting information cannot be interpreted separately from the elements of a common accounting and information system, involving the active use of modern information technology, network solutions and software. In fact, it is not so much about the category of accounting information as about the concept of "accounting information system".

The accounting information system is considered more in technical terms. The main emphasis in its study is on the practical and technical aspects of its implementation, on the processes of formation and processing of initial data and obtaining the final result internal and external reporting. The accounting information system is considered as an organizational subsystem implemented through the integration of a complex set of interrelated, complementary elements integrated into a single whole - databases, internal reports, software, management decision-making processes, business development system, communication channels, proper accounting procedures and methods, etc. By its nature, accounting information is considered as a product of data flow in the module, and not components of the accounting information system.

In contrast to the domestic, this approach is focused more on the functions of administration of the processes of formation of accounting information than on its internal content. It is widely used in connection with the development of modern information technologies and is considered primarily in terms of the creation and development of accounting information systems. Under this approach, the accounting information system is presented as a block structure. In particular, it can be defined as a set of the following elements: initial primary data, their processing and intermediate presentation systems and reporting systems.

CONCLUSION

In a narrow sense, accounting information means any information recorded and processed in the information registers of accounting or tax accounting, the main purpose of which is that

"Covering both people and real components of social systems, it translates the results of this accounting into the language of numbers, the language of money"

However, there is a broader approach whereby accounting information covers any information flows, data and information disclosed to the relevant group of users (stakeholders) at the appropriate level, including management and non-financial reporting. In other words, it is intended for timely, qualitative obtaining by this group of users of necessary data on economic activity of the organization for acceptance of the weighed administrative decisions.

A similar interpretation is adopted in the Russian and international legislation on accounting regulation. For example, according to the Federal law on accounting, the main task of the latter is to reflect the real financial condition of the organization as fully and accurately as possible, taking into account the various information requests of interested users, which are based on the requirements of fairness, truthfulness, transparency and relevance.

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