

**Melnychenko Oleksandr,**

Prof. Dr. hab. Professor at The London Academy of Science and Business  
London, UK;

Chairman of the Board in Consilium LLC, Warsaw, Poland,

Professor at the Finance Department of Gdansk University of Technology  
Gdansk, Poland.

**Kostyrko Ruslan,**

Doctor of Economics, Professor, Professor of the Department of Accounting  
Technologies and Taxation

The London Academy of Science and Business, London, UK

University of Banking, Lviv.

## **INTEGRATED REPORTING - A TOOL FOR THE COMPANIES' RESPONSIBLE OPERATION MAINTENANCE**

*Abstract.* It has been specified that changes in the corporate governance paradigm and the interests of stakeholders determine the transformation of corporate reporting. The roadmaps for solving the problem of integrated reporting generation and analysis for the purposes of different users' information requests were offered.

*Key words:* integrated reporting, responsible operation of the company, indicator framework, stakeholders.

The significance of corporate social responsibility in the global aspect intensifies the need for enhanced information disclosure to all stakeholders in the reporting regarding sustainable development in a three-pronged summary - by economic, social and environmental components. The corporate governance paradigm shift based on the ideology of sustainable development and integration of the business entities interests with nationwide socio-economic interests, involves corresponding corporate reporting transformation. In the international practice, sustainable development reporting was implemented in the 1990s. Integrated reporting should be based on the principles set out by the Global Reporting Initiative (GRI) [1]. Extensive use of the integrated reporting model in the context of Ukrainian companies is associated with a number of circumstances that need to be addressed.

The first one is the insufficient level of transparency and quality of information presented in the companies' integrated reporting. Despite the fact that in some developed countries the CSR and sustainable development report preparation has become a statutory regulation, public information about the environmental, economic and social achievements of the business community has not yet become a common practice. According to the Corporate Social Responsibility Development Center, the average level of openness of Ukrainian companies is insufficient.

The second circumstance is related to the inaccuracies in methodological tools, resulting in different approaches to the integrated reporting format and structure for domestic companies. Each company determines the list of indicators in the reporting

singlehandedly, depending on the sector-specific and production-specific issues and therefore, the figures that reflect funds are not always comparable.

The third one is providing the comparability of data obtained in different reporting formats of different companies. Emerging of a large number of reports reduces their user value and transparency of the company's business: significant information is "blurred" due to the data growth.

The fourth one is coming from choosing the indicator framework and method development of comprehensive analysis for sustainable development of businesses based on integrated reporting.

Therefore, the main growth prospects for integrated reporting in the businesses' responsible operation maintenance are: development of the standard of financial and non-financial information disclosure in integrated reporting, with due allowance for the national peculiarities and guidelines for its accounting and analytical support for the purpose of stakeholder information inquiries.

### **REFERENCES:**

1. Sustainability Reporting Guidelines URL:  
<https://www.globalreporting.org/resource/library/G3.1-Guidelines-Incl-Technical-Protocol.pdf>