


SUSTAINABLE REPORTS IN UKRAINE: EVALUATION OF THE SITUATION

Tetiana Botsian

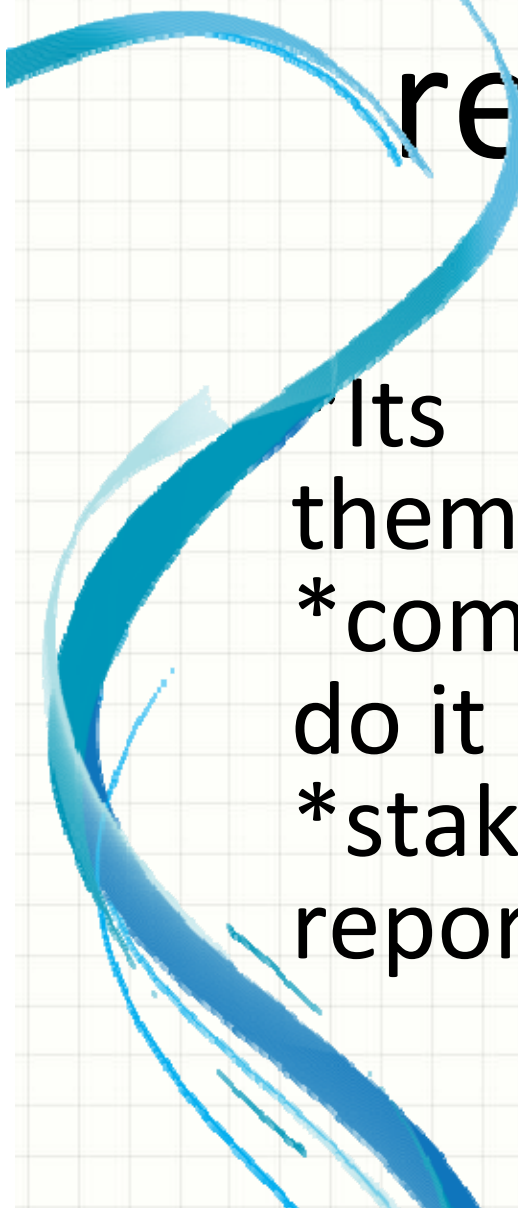
PhD, Prof. Assistant
department of management and
administration
Zhytomyr Ivan Franko State
University
Ukraine



Do You know
that kind of reports is prepared
not by accountants
but verify by auditors ?

Possible answers:

- Corporate social responsibility report
- Report of sustainable development
- Report of corporate citizenship
- Report about influence of the company on environment
- EHS-report (environment, health and safety)
- Social report
- Integrated report
- non-financial report




Is the non-financial report the dog that does not bark ?

Its not the mandatory to verify them

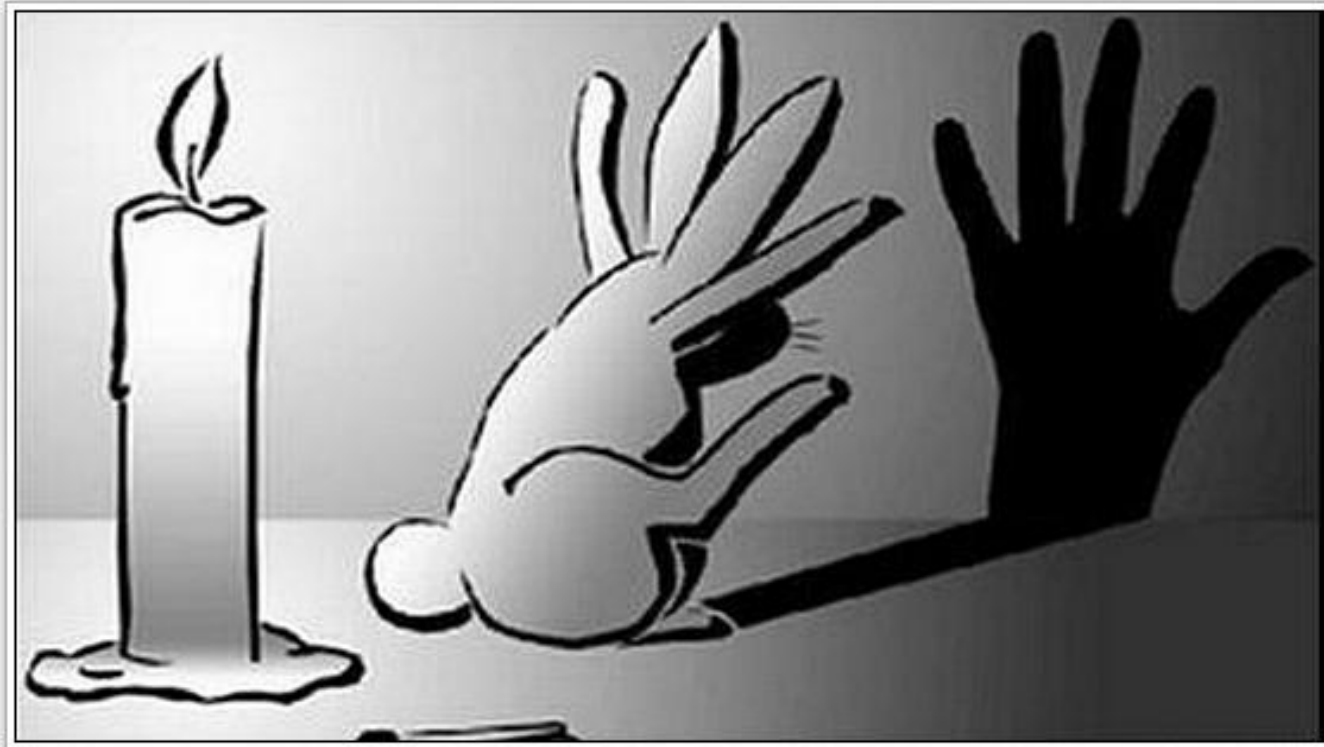
*companies claims smth but do not do it

*stakeholders does not read the reports

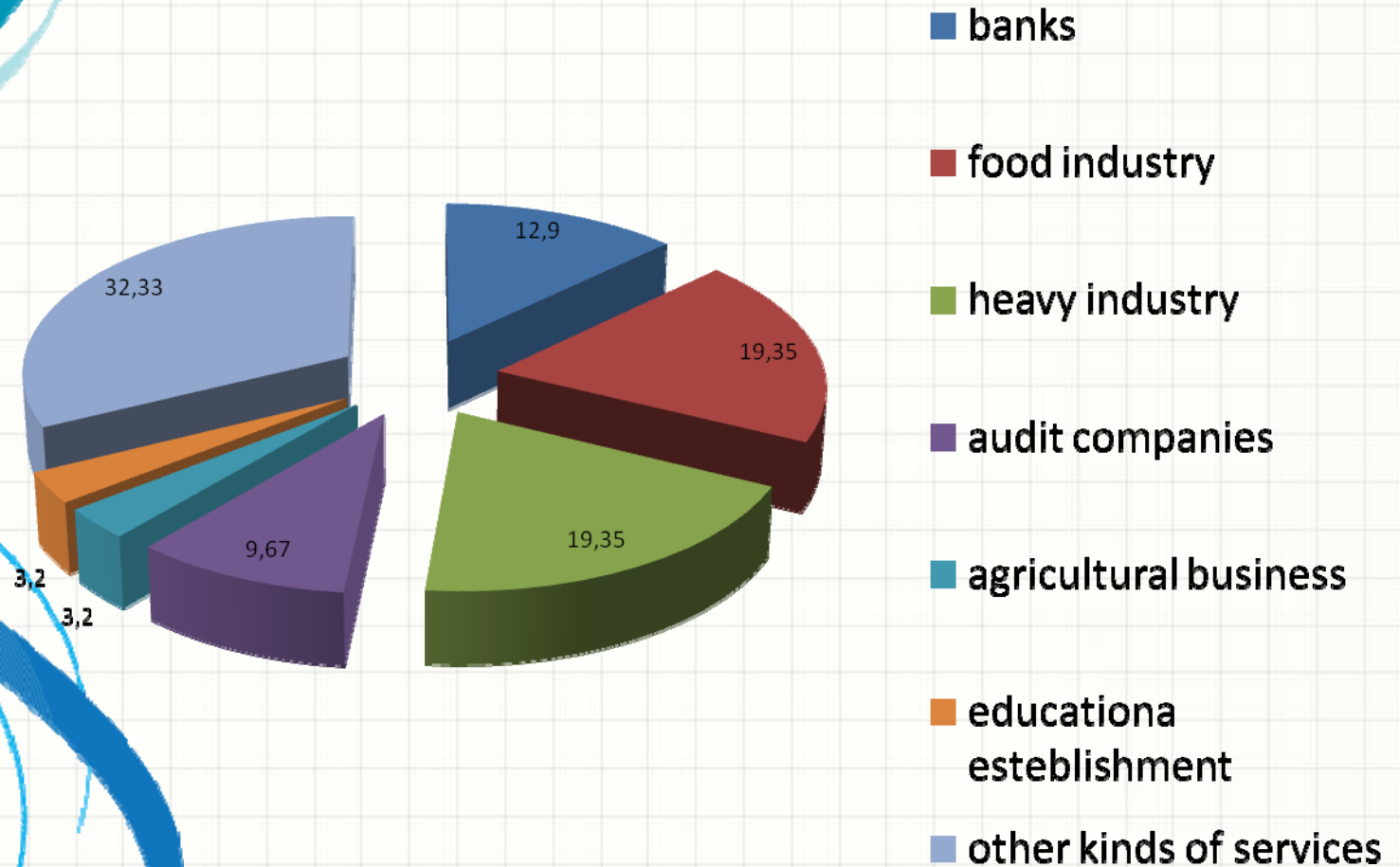



Non-financial reports
in Ukraine
can be unveiled on
the own cites of the
companies or through
NGO “CSR centre”

Do we see the picture
of real situation?




31 reports





1st problem is standardization

- 1) free format report (according to the own view of the enterprise)
- 2) communication on Progress (COP)
(prepared by the UN Global Compact
Participating companies commitment to the principles of UN Global Compact)
- 3) reports prepared according to GRI



2nd problem is different periods of reporting

- 1) 1st year reports
- 2) 1st year report according to this standard
- 3) long period of reporting



Evaluation of the information

(according to the the theory of information)

- 1) **value** (focus on the user);
- 2) **reliability** (focus on management decision);
- 3) **adequacy** (connection with primary data);
- 4) **appropriate format** (consistency with other information about the company).



Evaluation of the information (according to the GRI)

1. Balance
2. Comparability
3. Accuracy
4. Timeliness
5. Clarity
6. Reliability



Evaluation of the information

- 1) **value** of the information provided by accuracy, timelines and clarity;
- 2) **reliability** is mainly means materiality of the information;
- 3) **comparability** means adequacy to the primary data;
- 4) **balance** means consistency with positive and negative information about the company



Not valuated

- 1) language of the report (Ukrainian, Russian or English),
- 2) misspellings,
- 3) the volume of report,
- 4) usage of colors

The a result of the study

1. Unclarity of the information (2 reports, or 6.5%)
2. Unreliability of the data
3. Reports avoided negative information contained in the Internet: not refuted or not confirmed (4 or 13% of reports contain such information and 1 contains negative information that does not directly can be apply to the enterprise, 4 reports, or 13% do not contain negative information and there is no negative information for the rest);
4. Incomparability (22 cases or 71% of reports)).

Just 19.35% of reports in Ukraine are fully meet with the principles of the information quality



31st

REPORT

Report prepared according to GRI. At the beginning of the report is noted that the data presented in dynamics for 5 years both positive and negative.

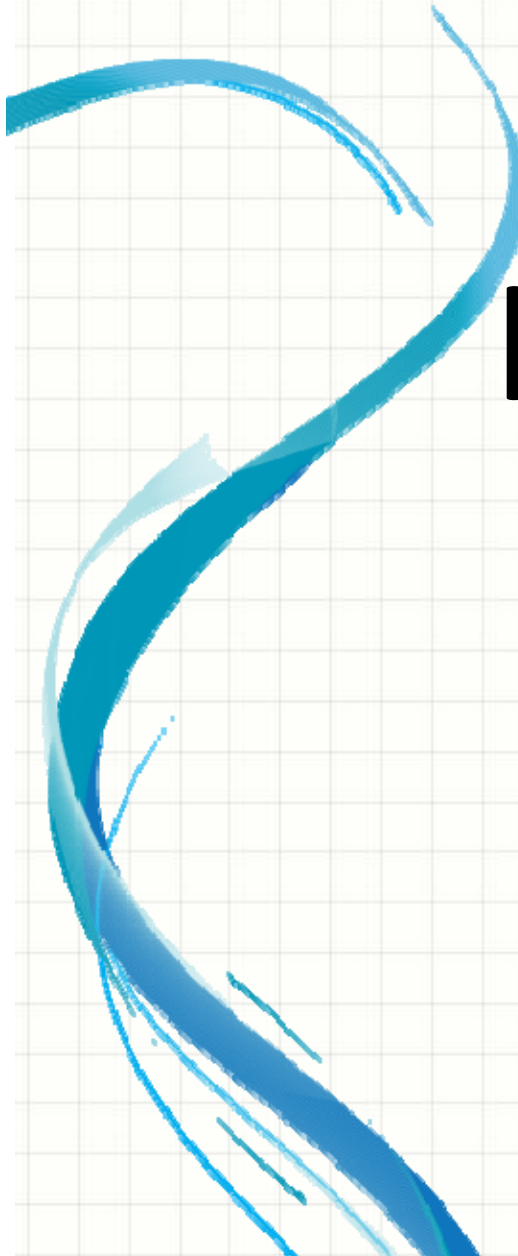




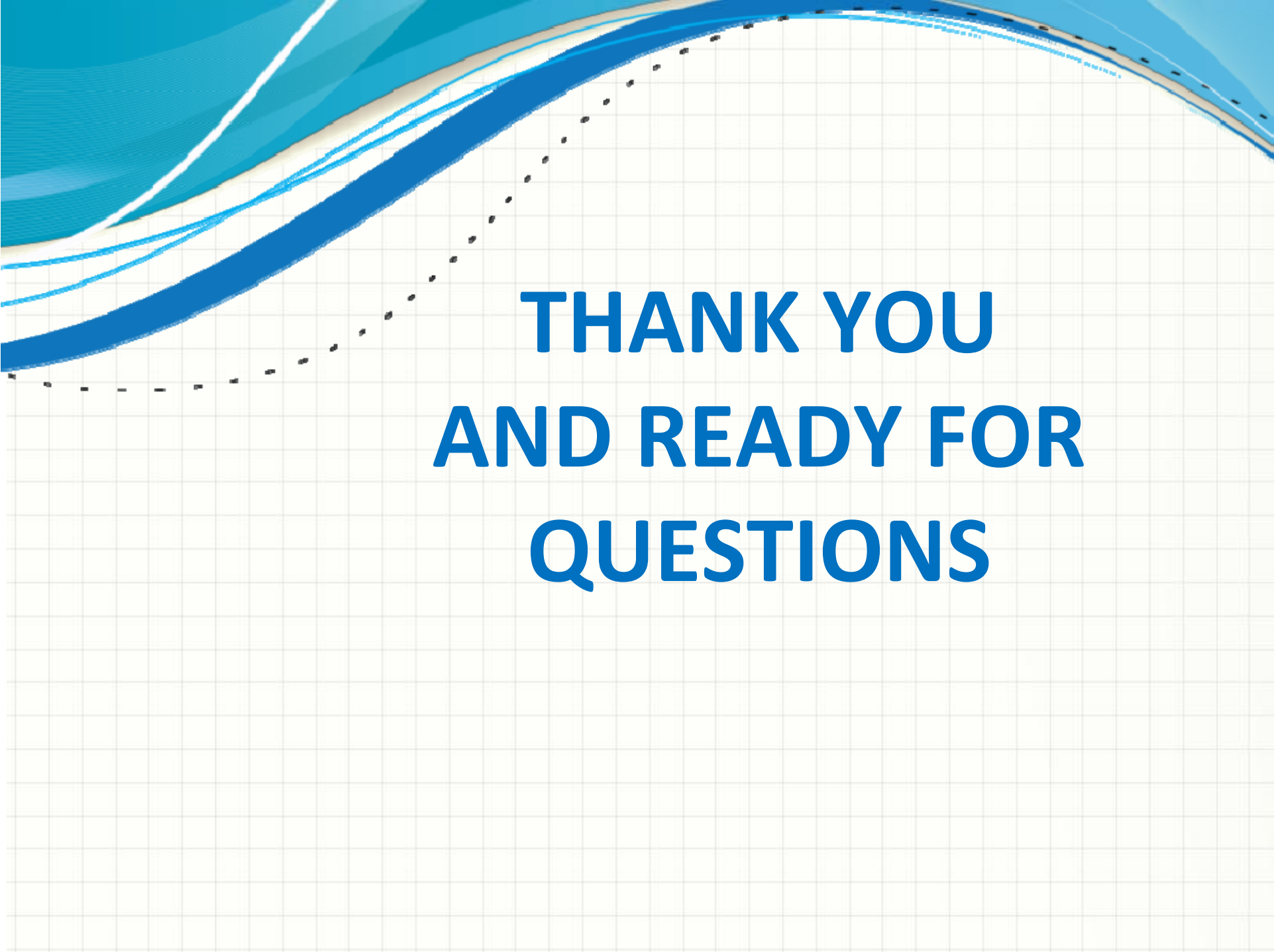
Grouping companies

(according to their loyalty to ethical principles of business)

- 1) Amoral
- 2) Quazi moral
- 3) Relative to ethic
- 4) Ethically universal



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?



**THANK YOU
AND READY FOR
QUESTIONS**