



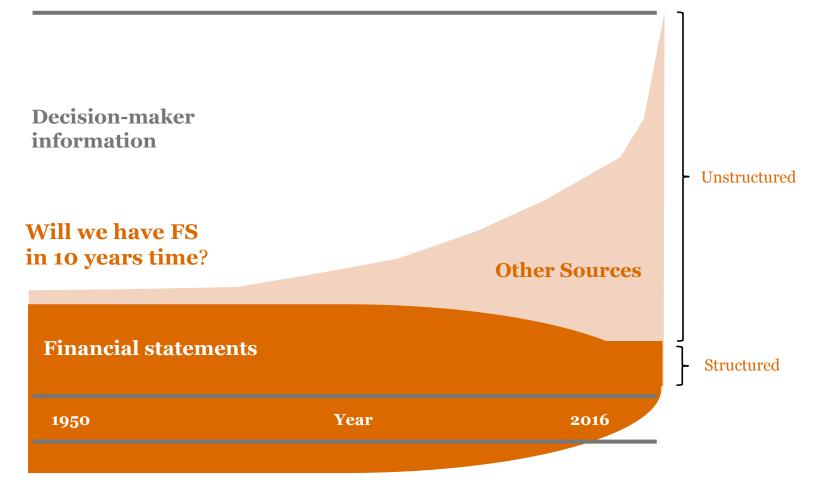
The Future of Corporate Reporting Structure of the Accountancy Europe Cogito Paper

- Introductory Section and 4 chapters:
 - 1. Growing Audience 🔎
 - 2. Content: Financial and Non-financial reporting
 - 3. Core and More 🌾
 - 4. Approach to Policy Making and Innovation

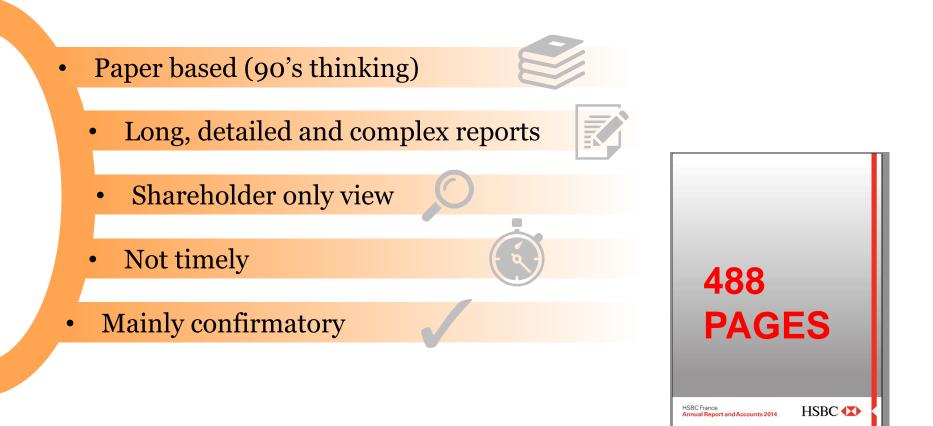


• Focus on TECHNOLOGY as change driver & enabler

Financial statements (FS) losing "market share"







Future of Corporate Reporting



How do we get Annual Reports to drive share prices?



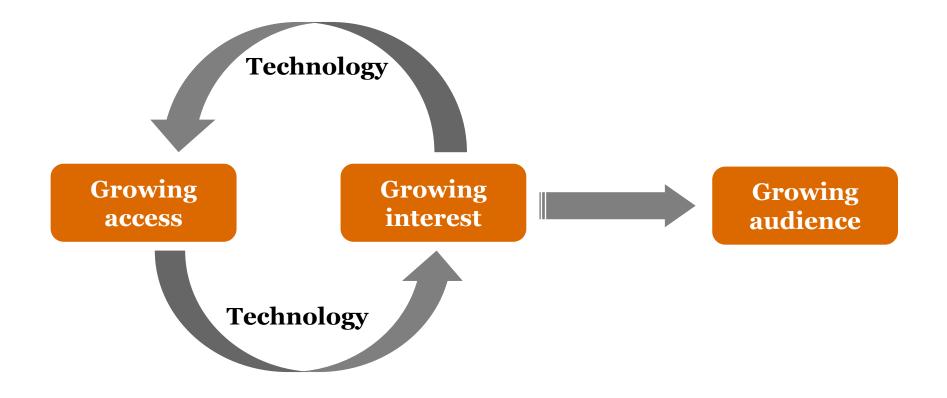
Should reporting adjust to the new technologies?

Technology (IT) as change driver & enabler

- At the heart of change
- Enables lively presentation
- Focus on relevant information
- Enhances readability on screen
- Enhances calculations, storage, processes, connectivity, cross-checking, references...



Chapter 1: Growing Audience

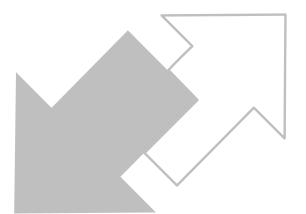


Chapter 1: Growing Audience

• Accountability to wider group of stakeholders

• Separate reports to each stakeholder group not sustainable

• Two way communication is essential



Chapter 2.1: Financial Information

- Financial information
 - to be issued earlier (more timely)
 - to be less voluminous



• Do not think paper / PDF, think screen

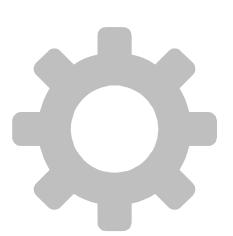


Chapter 2.2: Non-Financial Information

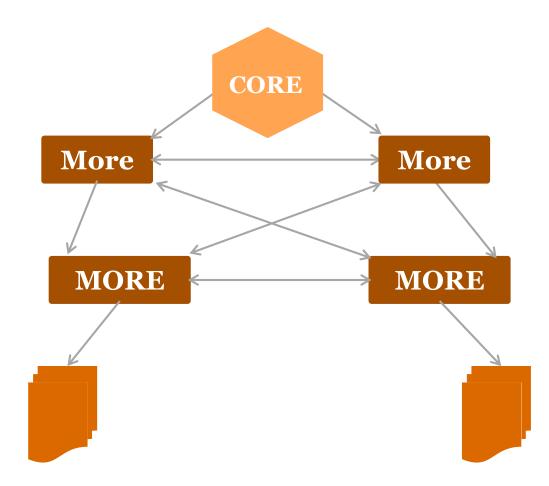
 Interconnection: financial & non-financial 	• NFI is key to get complete picture
• Many new requirements/standards	• Move towards one universal principles based reporting framework

Chapter 3 CORE & MORE

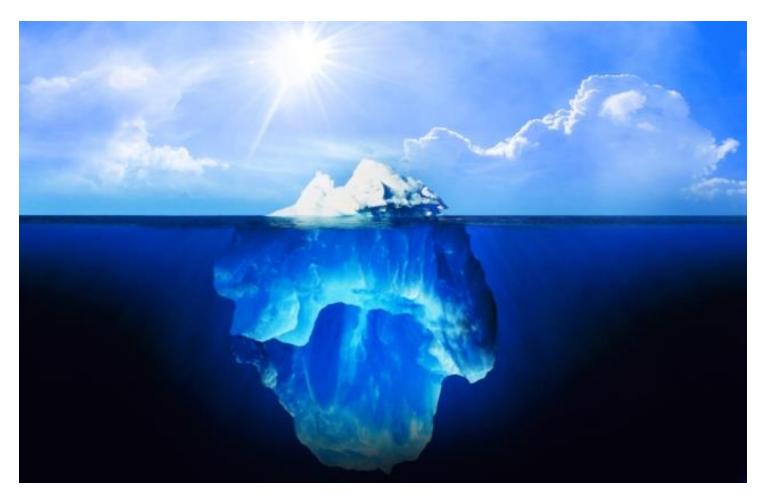
- Bring all together in one combined report
- Consisting of
 - One CORE (summary) report
 - MORE reports can be accessed via drilling vertically and horizontally
- Technology is key



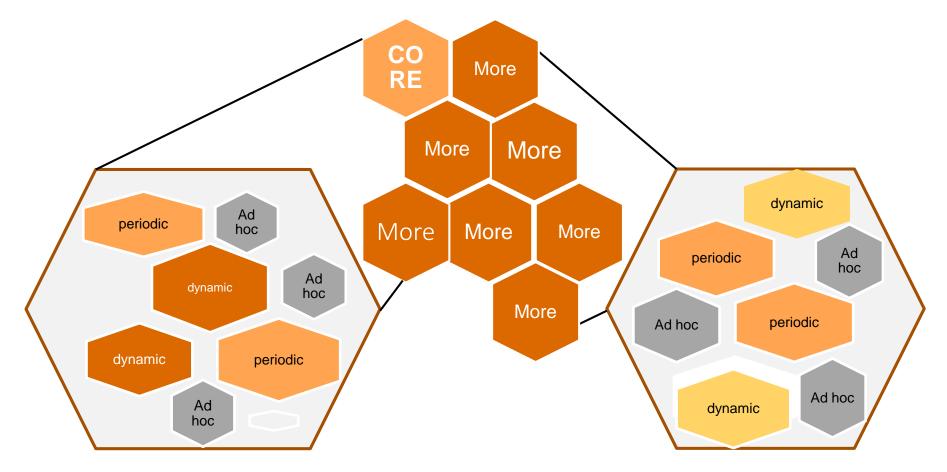
Chapter 3: CORE and MORE



Chapter 3: CORE & MORE



CORE and MORE: Updating the Report

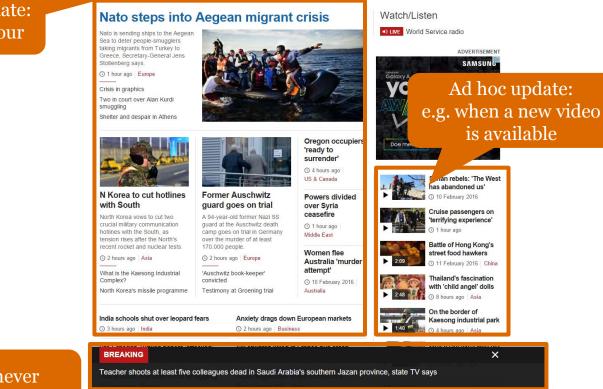


Chapter 3: CORE & MORE - Updating

Periodic update: e.g. every hour



Dynamic update: Whenever something important happens



Future of Corporate Reporting and



- Need for debate and experimentation
 - Is there agreement on the issues to be solved?
 - If yes, who should own the agenda?
- <IR> is the most developed & promising initiative
- FEE's Core & More idea is compatible with <IR>

Chapter 4: Policy Making and Innovation

Differing requirements lead to reporting duplication

- **Revise the current checklist approach through:**
 - More principles-based standards
 - Coordination in Europe & internationally
 - Enforcers & auditors to change attitude

Chapter 4: Policy Making and Innovation

- Allow parallel experimental reporting
- Allow Corporate Reporting to adapt to opportunities and challenges of emerging IT

- Policy makers work together to get necessary changes to happen
- Establish a group of key stakeholders

How will the role of audit develop in this new environment?

Main areas of feedback

- Elaborating the Core & More concept
- Supporting the coordination and development of non-financial information reporting

• **Researching the impact and opportunities of technology**

Overall policy recommendations



"Let's think about"

How can you get involved?

www.accountancyeurope.eu/publications

Contact



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