The accounting profession has a role to play in reshap- ing reporting practices, beyond compliance and share- holder-focused orientation to one that is holistic, inte- grated and stakeholder-focused.

Flashback: Italian mer- chants of Genoa, Florence and Venice were at the epicentre of trade between Eu- rope and the Middle East in the 13th and 14th century. As trading ventures grew, indi- vidual merchants were not able to provide the capital needed to conduct busi- ness. The concept of “shareholders” was thus born, and along with it, the need to re- port on the ventures’ financial status to in- vestors. Luca Pacioli, a contemporary of Lo- coma da Vinci, documented the so-called “Venice method” in 1494 and it quickly spread to become a widely known and accepted accounting principle. It formed the basis of financial reporting as sharehold- ers’ accounting today is exactly what it was then: clear and sophisticated than what was pre- viously achieved and communicated.

Accounting today is mostly a reporting exercise that has a role to play in redefining the approach and bringing more transparency and disclosure to the way financial information is reported. The IIRC’s Integrated Framework (IIIF) and the Global Reporting Initiative’s (GRI) Sustainability Reporting Framework (SRF) are examples of how accounting professionals and stakeholders are working together to develop integrated reporting frameworks.

First, there is uncertainty about how the approach to financial information and non-financial information will be achieved. Will the approach centre on the dissemination and quantification of social, environmental and sustainability at- tributes? The capacity to report in the regu- lated manner will rely on the adequacy and efficiency of internal data collection and management. It is likely that very few companies right now are equipped to do so. For example, the Singapore Competitor’s 2011 study on non-financial reporting among mainboard-listed companies in Sin- gapore showed that environmental perfor- mance and practices are considerably less reported than other elements such as corporate governance, community and society, eco- nomic, and labour rights and practices.

Second, it is unclear how detailed infor- mation outside the core integrated report- ing framework can be, and how much of which information is disclosed.

Third, how the relationship between the IIRC and the GRI can be achieved and how the different frameworks can be reconciled?

Fourth, there is uncertainty about the potential for a “patchwork approach”, where the aim is to have the capacity to report in the integrated framework and in the current “comply or explain” approach to corporate governance – is it possible?

Finally, the participating in network- es and market leadership to pursue sustainable development practices.

As members of the profession, we must continue to educate and inform ourselves about sustainability issues and bring our considerable influence upon sustainable practices and processes in our respective organizations and clients.

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