

Environmental and Financial Reports

Shaban Mohammadi

Department of Accounting, Quchan Branch, Hakim Nezami
University, Quchan, Iran, shaban1362@gmail.com

Abstract

The first objective of this paper is to provide a theoretical justification for accounting and reporting environment. In other words, this article seeks to show that it is essential for organizations to develop a comprehensive system of environmental accounting and why they need to the system to equity. This article assumes that companies should behave in a manner responsive to the community. This model is based on the personal belief that companies need to address environmental issues are located. In contrast to the wealth of studies on the evaluation of disclosure of environmental issues, few studies have been conducted in the context of a theory that suggests the need for environmental accounting. The second objective of this paper is to test the theoretical framework for the organization and accounting concepts and symbols. In this article, particularly as the main approach to the implementation of environmental accounting is checked. This article includes the assumption of moral, economic and environmental accounting literature that together provide the theoretical model.

Keywords: environmental responsibility, environmental accounting, industry and the environment, environmental management

Introduction

IntWith increasing environmental liabilities in the mid-seventies, the companies have to disclose their losses into the environment. In order to complete the above standard in 1976 as Accounting Standards Board Interpretation No. 14 by ((a reasonable estimate of the amount of loss)) was published. environment was approved. In 1990, the Accounting Standards Board Issue No. 8-90 as the capital costs of pollution released. Environmental accounting and reporting modelEnvironmental accounting and reporting model In this section, based on previous literature, accounting, economics and the environment, a model was developed to support the accounting and reporting environment. This model is composed of 5 parts: the risks to the environment, corporate responsibility, a new relationship between industry and the environment, the need to measure the impact of industry on the environment and the need to report. The underlying assumption in the model is also discussed about 8. Environmental risks "The first element is assumed that the environment is threatened. The nature and severity of the threat is worthy of discussion, but basically agree that human resources scientifically valid set of environmental problems faced by the turn of the millennium. Cavell (Kovel, 2007) categorized list of indicators of environmental degradation, which indicates the index gave a synopsis of the environment from 1970 to 2000. Unfortunately, there is no reason to suggest that in the future this trend will stop. Environmental threats by Beck (Beck, 1992, 1999) as the risks to the environment, it is classified. These risks and threats facing the human race is so risky lives in a society and it is fundamentally different from the original communities. Beck (1992) stated that "environmental disasters and nuclear radiation, ignores national boundaries. Even the rich and resource owners are not exempt from them. These are not only jeopardize the health, but also affect the legitimacy of the assets and profits. " Rising sea levels due to global warming and melting ice caps, the main conflict in Bvhvast changes, in general, this man has occurred with respect to climate change. Corporate Responsibility Based on Corporate Responsibility, will discuss three assumptions: 1. The industry has a significant effect on the environment. 2. The environmental and social responsibilities related to the industry. 3. Individuals and corporate environmental responsibility. Industry has a significant effect on the environment The second assumption is that human industry in particular, has a significant effect on the environment. After the Industrial Revolution, the relationship between humans and nature, fundamentally changed. Traditionally human activities on the environment, but now works as a stage formed different human and industrial activities, particularly in a range of activities is located. Major environmental disasters like the oil spill in Alaska directly from industry in 1989, it has caused. In addition, many industry scarcely recovered materials, loss (Ayres, 2004). Indirectly, increased use of agricultural pests and herbicides has led to the loss of biodiversity, while industrial activities, air pollution, land and water well. Generally, the known consequences of global industry wide problems. Social responsibility towards environmental industry This model is not currently prevailing consensus on this issue so that the company would be deemed to accept a certain level of social responsibility. Individuals and organizations for environmental responsibility The fourth assumption is that any government, organization or individual in the face of such a potential threat can not be complacent. At best, such a threat, reduced quality of life and at worst would be disastrous changes. Barton (Barton, 1999) stated that "natural capital assets are an important part of the environment that must be protected to ensure the continuation of life on Earth." While there are those who think that the issue of their another problem is not seems a prudent approach and speed in the

current situation is worse than we do when measures of effectiveness that it is too late. Humans as an integral part of a complex nature. We have clean air to breathe, clean water to drink and to eat healthy foods needed. Natural products like oil are essential for trade. Nature Genetics, a source for new drugs. Somehow natural resources benefit all businesses. In the mid-90s, Kastanza and others (Costanza et al., 1997) estimated that the economic value of 17 ecosystem, \$ 33 trillion a year, this amount is much higher than global GDP of 18 trillion dollars a year. In the long term, businesses need to protect nature, because nature is worth speculation. Top view of a human being on the other creatures of the land must be protected, because nature has intrinsic value (Mcshane, 2007); one must be careful Biosphere, as values within the Biosphere (Rolston, 2006). is. Humans are only one part of the ecosystem and the value that will be assigned to the ecosystem, its value may be different for other sectors and do not reflect the need to preserve the ecosystem. So fans and supporters Nabrtry human being superior to other human beings, both to protect the environment, conserve natural resources and biodiversity, and especially emphasize the critical natural capital.

Why do environmental accounting?

Why do environmental accounting? Environmental costs and performance has attracted the attention of managers for the following reasons: 1. Many of the major environmental costs can be significantly reduced as a result of business decisions or removed. 2. The environmental costs into account overhead may be considered ambiguous or not at all. 3. Many environmental costs can earn money by selling useless byproducts and receive a certificate ((Green Technology)) be deleted. 4. The costs of environmental management, environmental performance can be developed and major benefits for human health and on the other to have a successful business. their environment. 6. The competitive aspect, the environmental goods and services that can be observed is preferred. 7. environmental accounting and environmental performance can be developed from a company and its practical aspects of environmental management systems support.

New relationship between industry and the environment

New relationship between industry and the environment. If the 4 previous hypothesis is accepted, we reached the conclusion that there is a need for a basic review of the relationship between man and the environment. Should be compensated in the long term injuries sustained by the environment and natural areas and biodiversity is restored. This probably means that global emissions be reduced and if growth does not stop, limit, as long as the environment is to reach equilibrium conditions. in developing countries, the pressure on vulnerable ecosystems such as rainforests and wildlife is extensive. So in short, to minimize human impact on the environment is more important than achieving the development of tolerance (tolerance developed to the level of development with regard to resources and manipulating the environment for future generations and tolerance is acceptable). Development of tolerance to the next generation is also increasing. Tolerance, to maintain a constant current of natural assets implies. Essentially an exchange relationship between capital and intergenerational equity is Fransly. With the growing pressure on the planet's resources, achieving intergenerational equity, at best, and at worst challenge is unattainable. In the current global environment of tolerance, a concept that is at odds with the underlying economic model based on traditional accounting and financial management, is (Gray, 2003). Researchers seeking to adapt to economic and environmental reform, because economic development will not be sacrificed in order to promote biodiversity. Therefore, the development of tolerance represents a compromise between the need for complex natural environment and economic growth will be necessary. This compromise is full of contradictions and fluid concept that is invisible for a mutual administrative implications.

Other accounting principles required by the accounting environment include the following:

1. Environmental Science
- 2-laws and environmental regulations
3. Financial and Risk Management
- 4-line management control systems

Environmental reporting results include pricing based on full costing and accounting is biological

Three sets of accounting environment are:

1. Senior management institutions: environmental policy is the foundation.
2. Implementation of environmental management, environmental policy into reality.
3. Environmental staff in strategic decision makers for environmental control equipment

Measuring the impact of industry

In this paper it is assumed that measuring the impact of the industry is so important. Measurement itself makes clear that what had already been observable. It also enables other people to understand the hidden properties of an object. Measurement is one of the ways through which we make sense of the world. This is due to different measurement units such as hours, minutes and seconds for time or kilometers, meters and centimeters to carried away. In business, one of the main tools of measurement, quantification of accounting. The quantification helps

us to understand and evaluate the activities and achievements of the company, whether financial or relating to the environment. If you need to measure the impact of trade is accepted, there will be two related assumptions: First, the traditional accounting environment is not suitable for accounting and reporting, and second, that there is a need to create a new environmental accounting system. Current accounting is not enough The sixth assumption is that traditional accounting for environmental accounting is appropriate. Traditional accounting is not designed to capture the impact of humans on the environment and in the end it did not do. Of strong academics and participants agree that there needs to accounting and reporting environment. Accordingly valuable academic articles and studies related to environmental disclosures in annual reports and reports with independent environment there. This is essentially universal. For example, in environmental accounting standards and accounting course not. A barrier that prevents the appropriateness of traditional accounting for environmental accounting, is described in historical writing. These include the tendency of capitalism, focusing on trade, relying on neoclassical economics, copy number-dependence on money and accounting procedures. Tend to capitalism Traditional accounting mentioned here and what is dominant in the West, based on the capitalist system, accounting is based on modern capitalist world view is limited. This is not surprising that the bookkeeping, accounting is based on mutual registration is modern, yet the study is provided by Pachyvlv in 1494. Pachyvlv system, Italian merchants are able to maintain an orderly and regular offices for the determination of the profits of the business. Modern accounting, bookkeeping records gradually be focused mutual benefit of the capitalist system, evolved. Historically, capitalism is a relatively new method of organizing production. Capitalism, a system of competitive profit nor a participatory system where companies are looking to achieve profits from trading activities. Environment can be a victim of capitalism. Between capitalism and the environment is not necessarily fit for the purpose. In fact, the claim that the arms trade in the security environment is, at best, and at worst incomprehensible exceptionable (Gray & Bebbington, 2000; Gray, 2003). This has been proven in companies, especially international companies. Accepted international financial capitalism implies the destruction of ecology (Kovel 2007; Gray 2009). Badr (Beder, 1997) and Mvnbyvt (Monbiot, 2000) showed how companies can democratic processes and environmental movements glanced up and down. Current accounting course focuses on the measurement of profit, will not be satisfying. Traditional accounting with emphasis on profits only to measure, calculate, valuation and disclosure of financial assets and paying dividends and other activities that are not based on measurable, ignored. Focus on Business Accounting common commercial focus (the agreement), a very fine view of the business and also to display the measurement of current events, and deals with the relationship does not look natural. The world has truly redefined the nature of accounting terms. Forests for this purpose, as a repository of assets "stick" rather Wildlife Refuge. Finance source seas "fish" are rather than ecological sanctuary (environmental) thought. Generally good climate for free (free of charge) will be discussed. Our relationship with the environment is extremely easily ignored, just to create opportunities for the commercial exploitation and profit; only when the environment in terms of accounting, it is possible to measure the quantity possessed.

Environmental costing applied in two ways

- 1-way ABC (Activity Based Costing) looking at the organizational level, such as the unit of cost centers, storage products based on techniques and responsibilities
2. The quality of the environmental costs in terms of cost containment, assessment and identifies weaknesses in internal and external.

Interdisciplinary approach to environmental accounting

Principles requires multiple undeniable feature of the accounting environment.

1. First and foremost is the need of the business policy and planning, environmental policy should be adopted.
2. To provide environmental accounts and reporting provisions are necessary.
3. To ensure compliance with environmental regulations and reporting requirements relevant to the audit by environmental accounting.
4. The need to educate students and future professionals for technical and legal bases and avoid narrow exist in principle.

Dependence on money

Dependence on money Determine the numerical value is often based on values such as the dollar, euro, pound done. Often a lot of accounts of subsidiaries in different countries, different currencies are used to convert them to standard currency (convertible) there. Measured in different ways, such as gasoline storage (L), natural gas (cubic meters) or carbon dioxide (t) in the form of the potential, however, it is conceivable that different states usually are convertible into currency monetary standard. On environmental issues, and obviously there are non-monetary events on a large number of Biosphere effective and feasible in terms of prices are expressed, such as air, water, earth, air, ozone, etc., which have no place in nature accounting calculations. In most cases, at present,

the external effects are not valuable, not because these are inherently worthless, but because the current measurement system, we can not evaluate them. Of course, for example, strongly reduced air and water quality, the quality of life will be affected. Environmental economics and environmental economics are being developed to bring what is considered a classic no place in a market economy, efforts are effective. Accounting Concepts Technical aspects of accounting, such as the character (economic unit) and the time period is really insignificant. For example, the economic unit of society, the accounting units. These units are ignored and the external environment of the environment and the units will not be logged. Assuming the financial period, the intermittent periods of time (separately) into the dummy. New holistic accounting The seventh issue (say) based on the new approach of generality in accounting and environmental organizations that are considered to be independent and mutual interconnectivity and interdependence between them is also considered. In principle, a comprehensive accounting system will help in the preparation's ingredients. This is often the underlying accounting theorists about the environment. All-ingredient supporting organizations like the natural ecosystem as a complex web of interactions and cooperation between economic and social environment arise, just as the small economic units (firms or companies) as a component of a larger system, operate. Network changes (exchange), the system connects the subsystems, the internal communication, both measurable and non-measurable events included. 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All organizations, including human beings, are the ones that appeared in pro Although certain organizational goals such as profit, but at the same time a citizen or a partner or member of a community are considered. for whatever aggression or violence is on the environment, such as the use of natural resources or pollution, informing them. Because land owners simply because land ownership, land degradation is not right, because the earth is a natural resource and should be accountable to the public and law. It is believed that at present a major obstacle to the task of informing and representation, legitimacy of the community. Environmental assets such as wildlife, conventional commercial property; they are public property. Social assets, not specific economic life and economic evaluation can be properly carried out, so that may be the most basic features to the public than the valuation of accounting for them will be valued. Barton (1999) suggested that the public good and the ability to monetize those that are exterior finish is not simply to sell. Although some natural resources such as fossil fuels, mines, farms and farmers, some have private good characteristics, but others do not, such as waterways and wildlife. If the agreement is accepted, organizations must manage their resources and be responsible for the natural resources that have to be addressed. Because, the idea is to develop a method of accounting for mutual Bhshkly environmental destruction and degradation of land to conservation action. In fact, companies as their responsibilities towards the owners and their employees are doing, you should also consider the responsibilities related to the environment and to provide the necessary reports. Accounting for preparing and submitting the information on the role and legitimacy of successful organizations are seeking broad social responsibility in their business practices (Hartman et al., 2007). Environmental reports provide an opportunity for companies to exaggerate the environmental activities associated with the community. Theories that seek to find a conceptual framework for accounting, based on the presence of multiple groups of users (AAA, 1966; AICPA, 1974; ASSC, 1975). Significant accounting information or representation as to the purpose of the private sector and the public sector is known. It merely defines the level of information assets involved, but in any case as there is no logical reason for providing information and does not represent the environmental assets included. This view of the right to information, says that companies should not only take care of the environment, but must also take account of its environmental activities. The non-formal accounting should also be reported. This must be the most common form of disclosure in annual reports or in separate environmental reports done. In summary, the theoretical model Chndlayhay in 8 sections formed. Now that the land is in need of a new relationship between industry and environmental risks, be felt. A measurement is needed to measure the impact of an industry, but lacks the ability to present accounting.

Environmental Management

Environmental Management: The task of facilitating the development of a comprehensive environmental management. Management tasks to achieve this goal are as follows: 1. Assessment and monitoring of the environmental context of the changing business 2. Identification of sensitive information 3. Require the change of the environment and carry 4-authenticating and transferring data to ensure compliance with regulatory

directives The role of environmental affairs director of the Center for Environmental Management of the Company is as follows: 1-assessment, revision and control of the company's environmental performance 2-control regulatory requirements 3. Implementation and Management of Environmental Management Systems 4-raising environmental awareness in the company.

Environmental costs should be calculated? In this section, some of the methods that are currently used to introduce: the sale does not affect their environment is much harder. Accounting Outsourcing pieces: National Accounting Matrix including Environmental Accounts accounting matrix is developed by the Netherlands in tabular format in which emissions are detected by economic sector (EUR acetate) Europe Union's statistics branch helps impact on the local environment and the environmental impact of apprenticeship and specify the globe. Environmental goods and services are not supplied to the market value: The question is whether the value of the Kalahav not offer environmental services market in order to take account of environmental whether such benefits or a non-polluted lake views, spectacular values are not comparable across countries. In addition, while a green product can be useful to solve problems in the policy does not matter. The role of the environment in the analysis of the company: Environmental issues under consideration client investment because it is a matter of financial look at the result that the traditional valuation less impact on the evaluation of the company Dard.aksr analysts believe that the environmental impact assessment now 5 to 10 years will play an important role. Environmental protection regulations: This regulation deals with environmental damage and protect the environment. 1. Retrieving the 1976 Act and Resource Conservation 2. Clean Air Act 3. Clean Water Act 4. - Qanvn Planning and Community Right to Know 5. Substances Control Act First Act regulations for hazardous waste from production to sales. The second law for air pollution monitoring center has set. Act III regulations on water pollution sources and amounts of contaminated water discharged by the corporation limit. Fifth of production, processing and distribution in commerce of chemicals and compounds that are capable of so undesirable, health and the environment affect the square. Environmental audit: International Chamber of environmental audit is defined as: Careful study of the interaction between the activities of each business unit and its surroundings, including all materials published in the air, land and water, legal restrictions, the impact on the surrounding community, and the public perception of the company's Statement of understanding the environment in which the work area the activity is. Types of environmental audits include: 1. The compliance audit that ensures the company will do all environmental regulations. 4-audit production facilities, storage and sales to intercept dangerous substances used during the life cycle takes from source to destination. 6. The audit found that the amount of debt and costs associated with environmental damage is determined. 7. Audit of the production process itself justify measures to ensure that these products create special requirements. Taxes on waste and scrap: moving waste to decompose like wood, paper, cardboard Apart from the tax administration wants to achieve its goals in the recycling of municipal solid waste. The tax rate may be increased further and for all controlled waste to landfill can process applications. Sustainability Accounting Standards, International Accounting Standard 12, Financial Reporting Standard No. 37.

Results

Several implications for organizations and accountants are accepting the theoretical model. First, the general level of interest in the case of difficult conditions in which our environment, managers and accountants as wise immediate reaction to the identification of these threats have. Be individuals, governments, companies and professional organizations for environmental challenges wake. these activities are the responsibility of stewardship environment (nature) and it is necessary to appreciate the vast networks of both ecological and social systems operate. Second, traditional accounting paradigm with a certain subtlety that the accounting figures, has no environmental impact of corporate activities to be taken. An environmental accounting system is needed to measure and disclose corporate environmental impacts. This should include other issues regarding accounting for air pollution, water storage and preparation (extraction) of natural resources. In this sense, there are three approaches: (1) cost (expense) injuries sustained by, 2. Avoid, 3. Rehabilitation and Correction. Therefore, a new model for corporate environmental accountability tested. The main road leading there is a broad concept as developed tolerance and criticism, to be operational. New environmental approaches and systems necessary to devastating environmental consequences of the measure taken.

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