

# ReportingNZ – CPA Congress 2016

Panel discussion: Integrated reporting:  
Changing the corporate mind-set from  
one of compliance to it becoming a  
business imperative.

Wendy McGuinness, 18 October 2016



# ReportingNZ

Contributing to an informed society

# Latest Report October 2016

‘Ongoing economic hardship in many parts of the world, including the long-term effects of actions taken to stabilize the financial system immediately following the crisis, has emphasized the divide between the “haves” and the “have nots.”

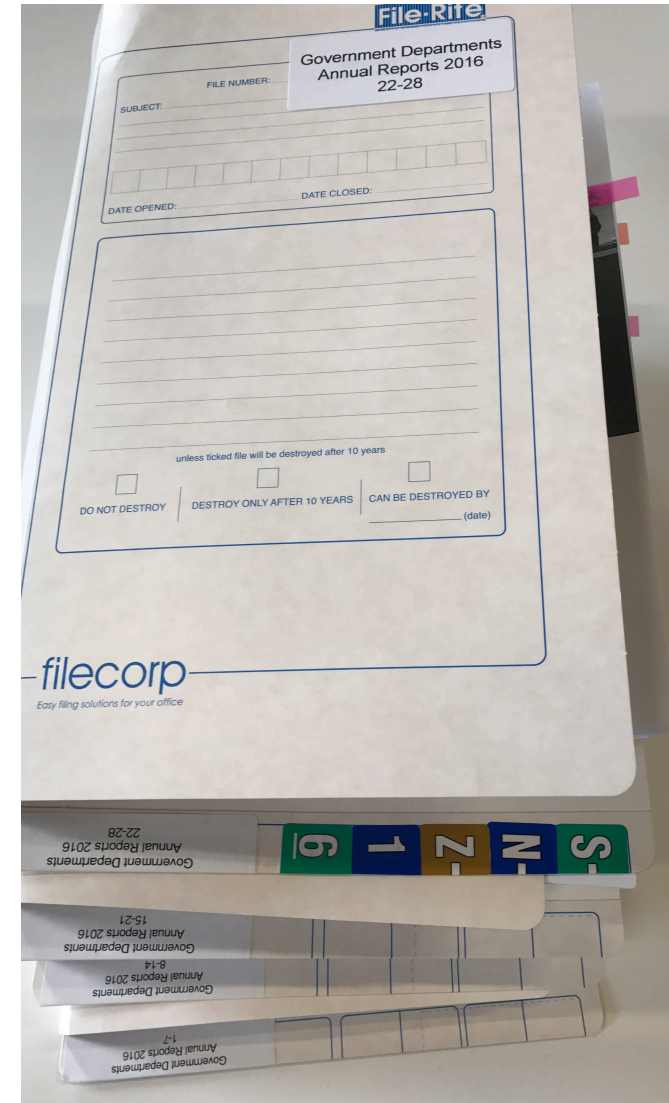
This, combined with the public’s observation that the people whose behaviors caused the crisis have not been held accountable, has resulted in considerable political unrest including moves toward what seem like more extreme political narratives and choices across the developed world.’



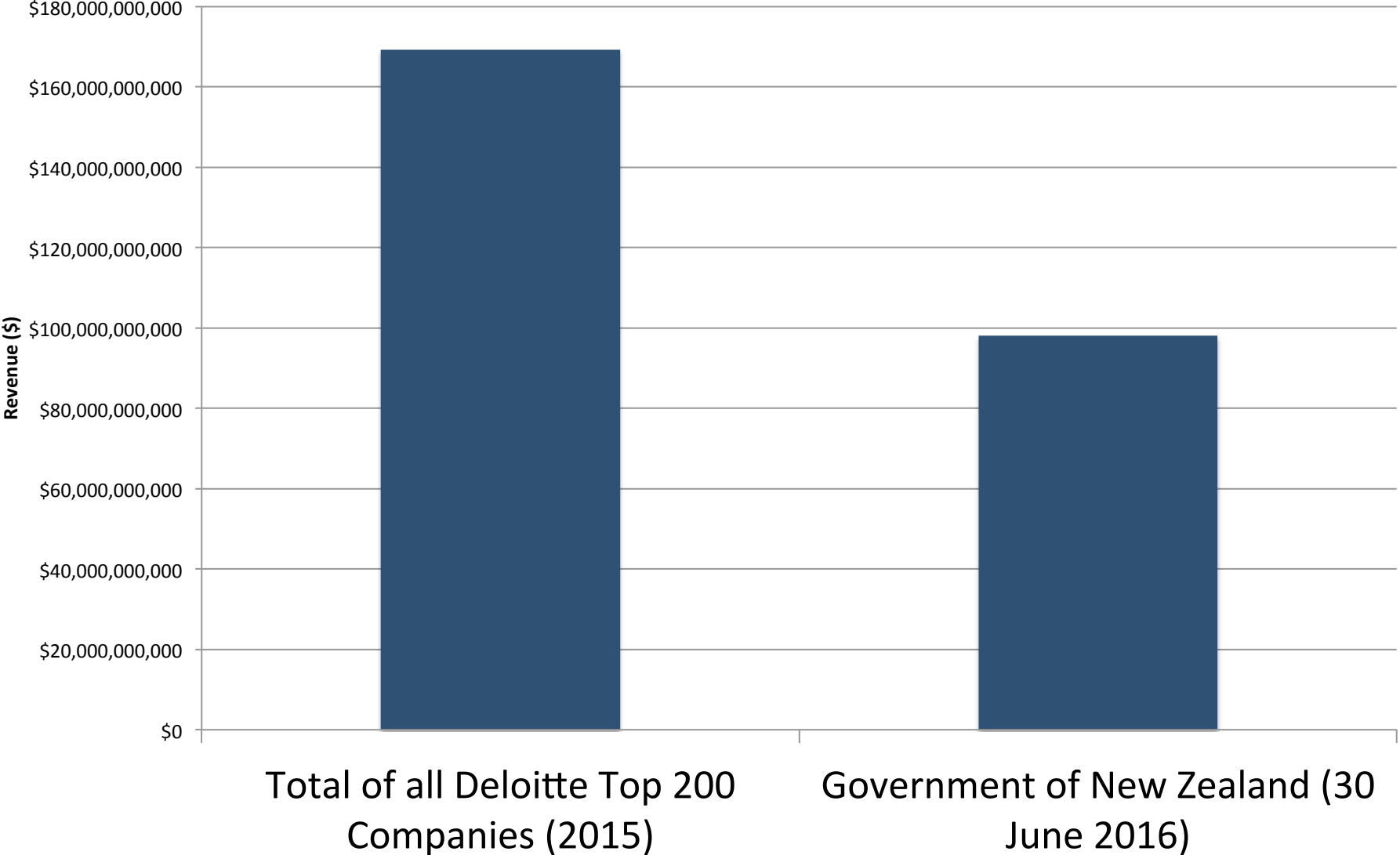
# Who do the public rely on?

The organisations that:

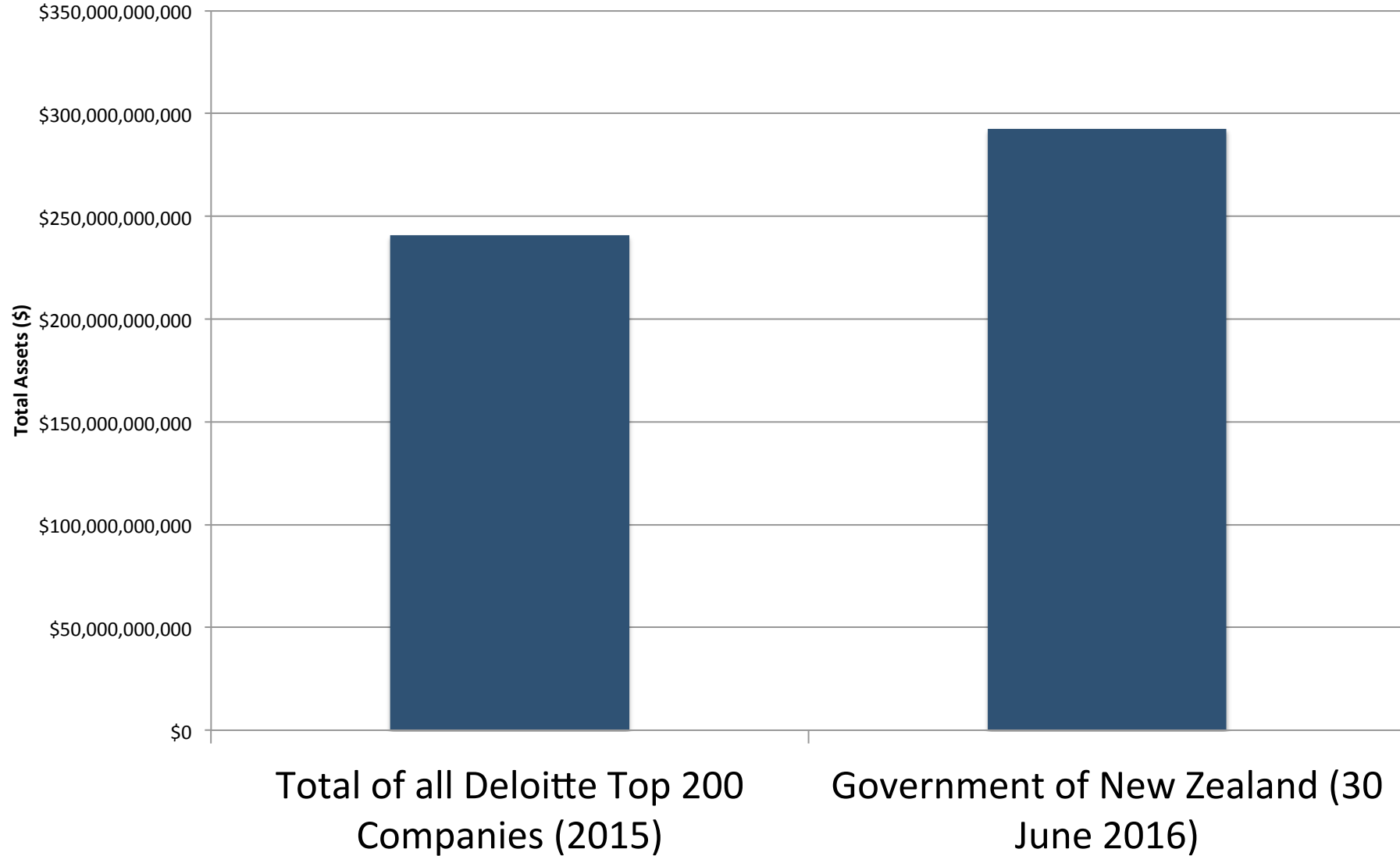
1. Promote and sell shares and other instruments to members of the public
2. Use public funds
3. Employ a large number of people
4. Use and pollute public assets
5. Have a large number of small shareholders (e.g. Southern Cross and Iwi organisations)
6. Are overseas-owned service providers and buyers of strategic assets
7. Are industry groups and NGOs that promote ideas and lobby officials
8. Police the legislation and guidelines – the regulators



# Total Revenue

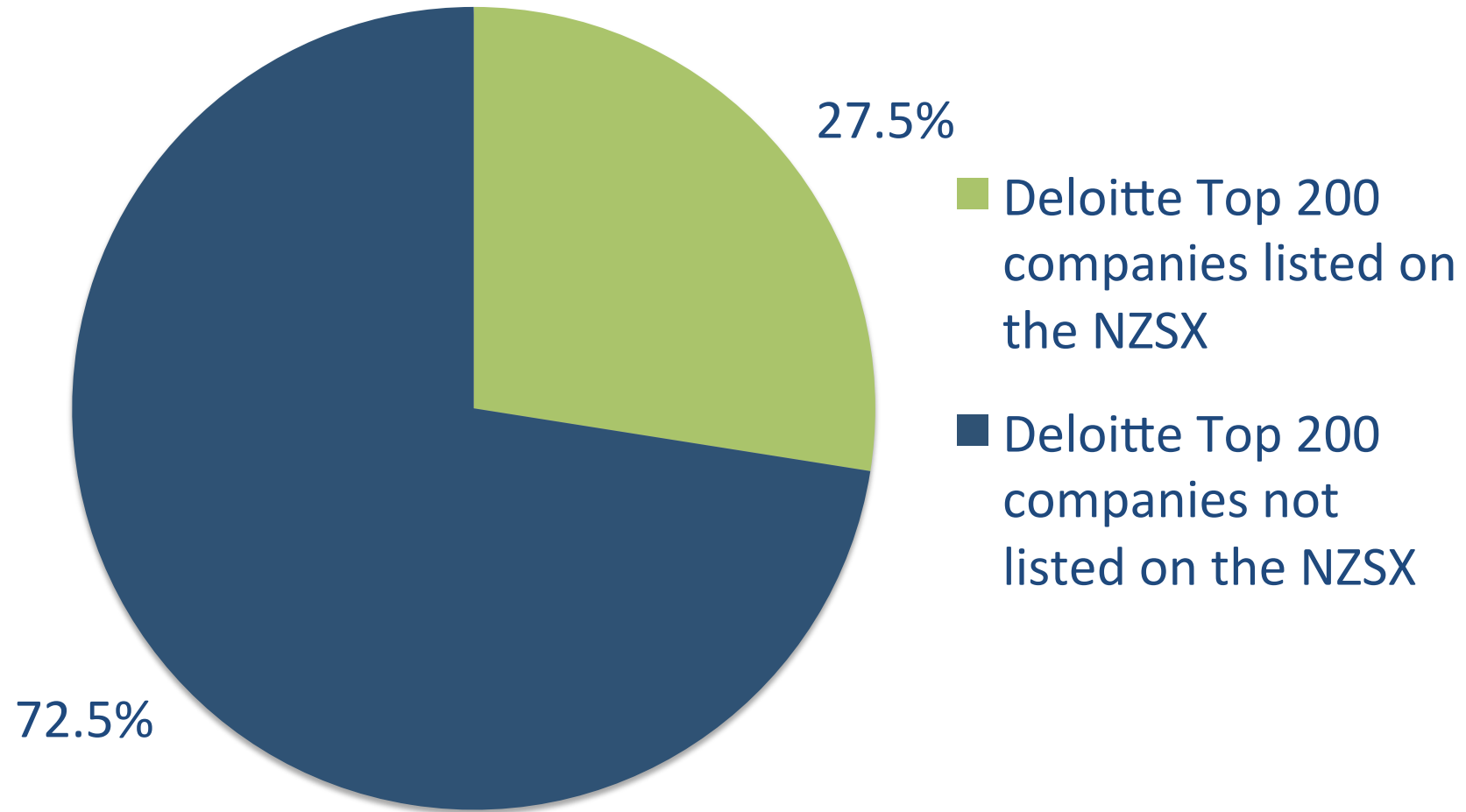


# Total Assets

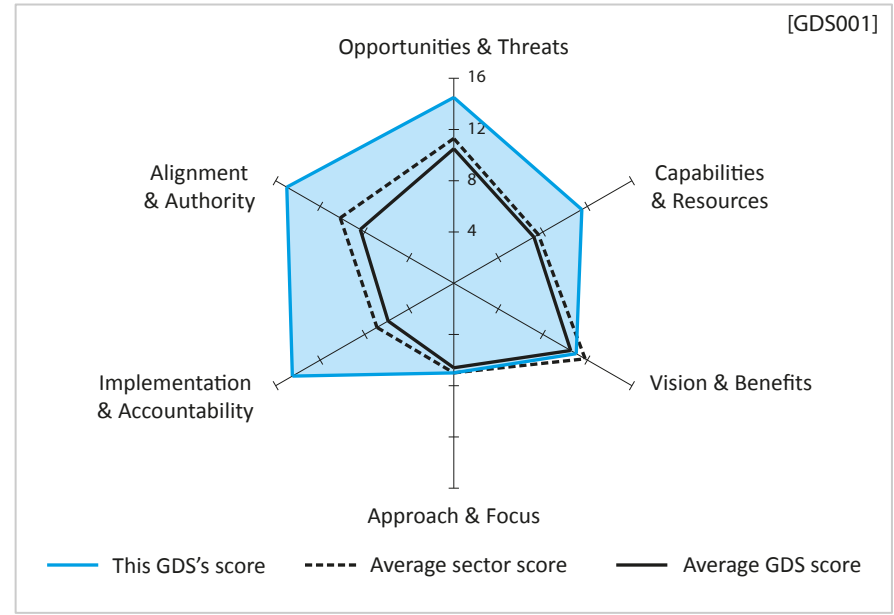
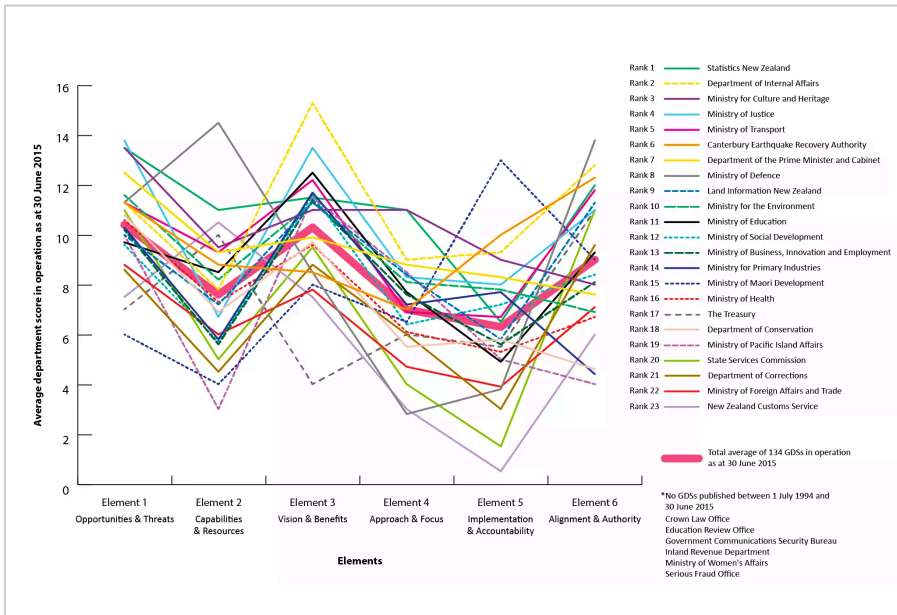
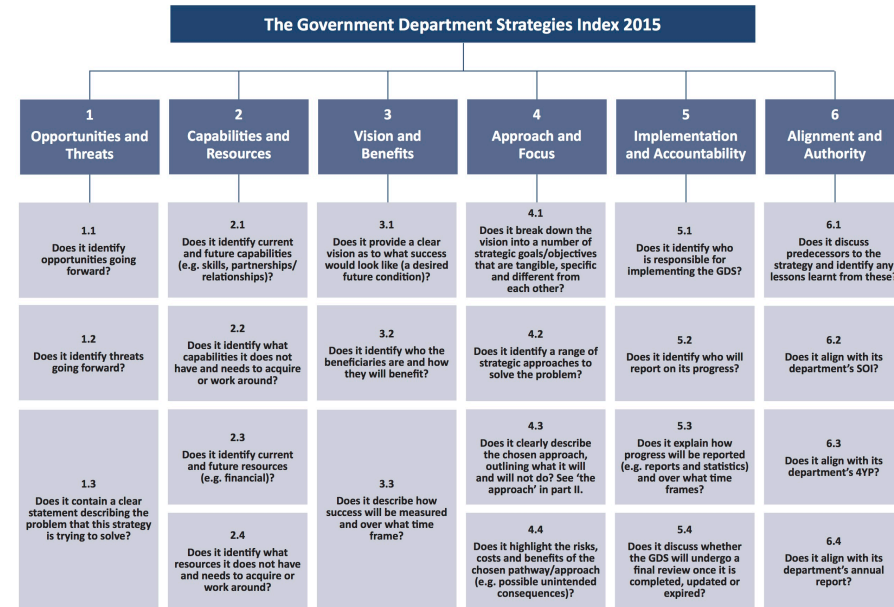


# Deloitte 2015 Top 200 Companies

This compares the 2015 Deloitte Top 200 companies with the NZSX All Securities as at 14 October 2016



# Improving strategy reporting





# HOW TO EXTEND YOUR ANNUAL REPORT



Financial Capital

+

Manufactured Capital

+

Intellectual Capital

+

Human Capital

+

Social and Relationship Capital

+

Natural Capital

=

VALUE

1. What time frame?
2. What stakeholders?
3. What reporting boundaries?
4. What business model?
5. What reporting format?
6. What buy-in do we have from the governing body?
7. What can we improve?

1. Strategic focus and future orientation
2. Connectivity of information
3. Stakeholder relationships
4. Materiality
5. Conciseness
6. Reliability and completeness
7. Consistency and comparability

1. Organisational overview and external environment
2. Governance
3. Business model
4. Risks and opportunities
5. Strategy and resource allocation
6. Performance
7. Outlook
8. Basis of presentation

- Financial Capital
- +
- Manufactured Capital
- +
- Intellectual Capital
- +
- Human Capital
- +
- Social and Relationship Capital
- +
- Natural Capital
- =
- VALUE



# Possible ways forward

- Require all NZSX companies and government departments to publish extended financial reports by 2020; providing information on foresight, strategy and changes in the four capitals (economic, natural, social and human).
- Expand the Companies Office role to make it responsible for registering the annual reports of all New Zealand organisations (and become a one-stop shop for the public).
- Require all government departments to publish a list of their strategy documents in their annual reports and for a register to be made available to the public of all government department strategy documents.
- Require all significant health and safety incidents to be published both in the annual report and in the Companies Office register.
- Require all significant environmental incidents and subsequent penalties to be published in both the annual report and the register at the Companies Office.
- Require organisations that use and pollute significant public resources to report on that use and pollution and explain in their annual report how those impacts were and will be managed going forward.
- Require the Companies Office to clearly record the 'ultimate holding company' in the register and specify the stock exchange board/s the company is listed on – this could happen when the company uploads its annual report.
- Require the Companies Office to specify a searchable format for all documents (so that the public can search a company's records).

# Thank you

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