

7<sup>th</sup> November 2017

## **New paper helps directors understand financial reporting obligations**

**A new guidance paper has been released to help directors better understand and meet their obligations when it comes to financial reporting.**

The paper, called [\*Directors Responsibilities for Financial Reporting: What You Need to Know\*](#), is designed to help directors avoid the pitfalls of financial reporting.

The work is a joint publication between Chartered Accountants Australia and New Zealand (CA ANZ) and ACCA (the Association of Chartered Certified Accountants).

Liz Stamford, CA ANZ's General Manager, Policy, said it was an extremely important tool for directors working across the Asia-Pacific and Europe.

"Directors have a number of requirements. First and foremost, they have a duty of care and must give clear information about financial statements to investors and others," Stamford said.

"This paper is an easy to follow guide which helps answer a range of questions, including, who is responsible for reporting? What are those responsibilities? And when and how do you discharge those responsibilities?"

"Our paper outlines what the duty of care means in practice, what's needed in terms of keeping records, and the various responsibilities in line with preparing financial statements.

"We're also looking at what must be done in terms of auditing those statements and providing guidance for overseeing internal controls.

"Directors have their own responsibilities and their own member bodies, but as this paper shows, we are playing a leading role in working with them so they better understand their requirements."

Maggie McGhee, director of Professional Insights at ACCA, said it's important for directors everywhere to take their responsibilities seriously.

"Not all directors need to be finance professionals, but it's crucial that directors are engaged and are able to understand and explain the company's financial reports," McGhee said.

"As well as important details on practice and process, this paper provides the questions directors need to be asking to make sure the financial reporting process is sound, and the output of that process provides meaningful information to investors and other users.

"It's a helpful reminder to our members across the world, particularly entrepreneurs and those working in and for small and medium businesses, of this crucial aspect of corporate governance. This global overview of directors' responsibilities at different stages of the financial reporting process will hopefully provide an opportunity to start a conversation in the boardroom about financial reporting, and corporate reporting in general.

"It provides guidance for members operating in Australia, New Zealand, Hong Kong, Malaysia, Singapore, and the UK."

**The strategic alliance between CA ANZ and ACCA has extended the global voice and reach of both organisations, and benefits to members.**

"Together, we represent 800,000 accounting professionals from 181 countries around the world," said Stamford.

“That makes us one of the largest alliances in the world and gives us a powerful voice. This paper is one of the many ways we are providing new benefits to our members.”

*Directors Responsibilities for Financial Reporting: What You Need to Know* is available here: <http://www.accaglobal.com/us/en/professional-insights/global-profession/Directors-responsibilities-for-financial-reporting.html>

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Members are known for their professional integrity, principled judgment, financial discipline and a forward-looking approach to business which contributes to the prosperity of our nations.

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### **About ACCA**

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants, offering business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

ACCA supports its **198,000** members and **486,000** students in **180** countries, helping them to develop successful careers in accounting and business, with the skills required by employers. ACCA works through a network of **101** offices and centres and more than **7,291** Approved Employers worldwide, who provide high standards of employee learning and development. Through its public interest remit, ACCA promotes appropriate regulation of accounting and conducts relevant research to ensure accountancy continues to grow in reputation and influence.

Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. It believes that accountants bring value to economies in all stages of development and seek to develop capacity in the profession and encourage the adoption of global standards. ACCA's core values are aligned to the needs of employers in all sectors and it ensures that through its range of qualifications, it prepares accountants for business. ACCA seeks to open up the profession to people of all backgrounds and remove artificial barriers, innovating its qualifications and delivery to meet the diverse needs of trainee professionals and their employers. More information is here: [www.accaglobal.com](http://www.accaglobal.com)  
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