

Implementation of Financial Reporting Environmental Barriers Listed Firms in Tehran Stock Exchange

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ABSTRACT

Since environmental accounting, also includes environmental reporting And environmental performance of production units from the perspective of consumers of financial reports is important, however There are environmental compliance, for reporting purposes to the goals of economic performance report, and due to limitations in the interests of users, Specific reporting requirements will be felt. According to different uses and preferences Reports always provided users with problems they have faced. In this research it is attempted to examine the main obstacles to the implementation of the financial reporting environment Department of Health and the urban environment Arak companies analyzed. Statistical Data of the experts and managers working in the Department of Health and Environment Arak, an urban environmental companies according to their number of 564 patients using Cochran formula and simple random sampling 229 students were selected as sample. Data were compared Spss20 using the two-level one-sample t-tests, samples t-test, analysis of variance were analyzed. The reliability with alpha coefficients Alpha was calculated and found to 886/0. All assumptions except for the establishment of criteria and standards 0/05 ensure environmental approval and the results showed the existence of communities and groups Environmental Specialist coefficient of 3/29 with the highest level of importance among the factors affecting Implementing the financial reporting environment, managers' knowledge of the importance and impact of Control systems by a factor of 3/13 second, and the establishment of norms and standards Environmental 3/02 with the lowest coefficient of importance among the factors affecting the implementation of financial reporting Environmental organization.

KEYWORDS: barriers to financial reporting, environmental accounting, financial reporting Environmental City corporations, environmental standards.

1.INTRODUCTION

Due to the growing population and limited natural resources which are available, development Sustainable and environmental protection, are the main issues around the world On how social welfare economic growth for poverty alleviation and their cassava Throughout the world today, and based on this the need for conservation of certain integral Vankar Accepted. The basic argument is that no group can Survived on life responsibilities what happens if your own interests without considering the consequences of their actions on Community, target and track. Liabilities and non-financial businesses should be paying special attention to the health of the community. The environment is not limited to political and geographic boundaries and collective efforts and coordinate all calls inhabitants of the earth. and Culture create a belief in sustainable development In public opinion, the directors believe that the most important points that should be considered and given The issue of environmental protection requires an environmental management system is a must Integrated with other management systems implement accounting information system As an important component of management information systems can play an important role in informing, helping and protecting the environment by polluting companies undertake and the disclosure of consumer spending to protect the environment from which the company could Properly reflected in the accounts and provide accurate and timely information to manage their Assist in making appropriate decisions (Auditor, 1999: 24). Performed by the auditor is reporting. Auditor to conduct an audit to evaluate Efficiency and effectiveness of operational and non-operational activities, managers at all levels of organizational deals. The financial statements are able to respond to the information needs management, managers are looking for more information, to evaluate and make judgments about Quality of operations and operational improvements. Given the extent of corporate communications Today, the company consists of four areas of social activities, interaction with community organizations to help Human resources, natural resources and environment contribute to the development and promotion of quality products We have identified the need to finance environmental auditing techniques to assess the Is efficient and effective, as well as economic Bsrfrh operations, accreditation organizations Ensure that stakeholders have increased significantly in this regard, taking into account Sustainable development is felt (Zadmhr, 1999: 10 and Talanh, 2001: 3). Traditional accounting principles for conservative social spending in response to concerns are unable

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to human welfare with the increasing importance of environmental issues, social responsibility, risk management, professional reporters accounting should be changed. So the company decided to publish "sustainability reports" (Rapporteur stability of the beneficiaries is much broader than financial Rapporteur) and the action to clear information about financial and non-financial issues to internal and external stakeholders to increase their confidence (Rezaie, 2001: 8). Sustainability reporting is a general report on the performance of economic, environmental and social Connection with the operation of a company's products and services. The results revealed that Sustainability reporting can improve the condition of the human environment, improve the production process and minimize waste and reduce waste and pollution, which plays a role in formation. The harmonization and standardization of sustainability reporting, the Global Reporting (GRI), has been created. (Souled, 1995). There are many different applications including environmental accounting that may be of national income accounting, financial accounting and management accounting named national income while accounting perspective as look at the scale of the national economy, natural resources and uses. Financial Accounting Look Users of financial reports for decision-making and to provide general liability and finally, it studies the management accounting as an information system to support management decisions in this regard (Jafari, 1993: 83).

2. Environmental reporting

That for-profit enterprises incur expenses in environmental issues, We provide an image that contains the benefits of bearing the costs of environmental performance It is needed, given the current structure of traditional accounting, providing an accurate picture The environmental performance is difficult, and therefore most cost-profit Azbngahhay Without tackling its environmental benefits, only the items cost to the Not disclose the financial reporting effectively. However, disclosure of costs in fact, in order to preserve the environment and increase the value of shareholder wealth Profit firm provides. However, such interest may be calculated and costs Rails There seems, however, in making a distinction between for-profit firms as a Green Technology Industry Green or cause cholera creation popularity, useful books on stock price These firms will exchange stock market, so the environmental reporting With a closer look should be addressed economic management units, particularly units in A large area of environmental expenditures are incurred (area Hosseini Zadeh, 1999).

3. Objectives of Financial Reporting

According to the Financial Accounting Standards Board (FASB) it is one of the object of financial reporting Provide information about the financial position, performance and financial flexibility entity is accountability of managers and owners, investors and other aim is to determine whether directors As trustee for the resources that they have little or no deposit. Also, according to Financial Accounting Standards Board, financial reporting preparation and presentation of financial statements is limited to other ways of interpreting the information provided directly or indirectly by the information it also covers the related financial statement is only part of the financial reporting (Holy, 1995: 9 and Kazemi Yazdi, 1997: 51). Financial statements including balance sheet, income statement, statement of cash flows and the Notes and supplementary tables that all the information on each of these statements alone cannot it is necessary to provide decision-making information systems to provide Gives users because each transaction reflects the different aspects. Although the Whichever provides information that is different from the rest, but none of them alone Not only serve a purpose (Holy, 1995: 10). The problems of non-compliance with laws and regulations, lack of transparent reporting practices and a lack of proper education and awareness of the culture and the institutionalization of Environmental issues and lack of faith in the effectiveness of managers reporting environmental barriers transparent reporting is implemented. Education and training of managers and the public believe the cost Due to the deleterious effects of environmental pollutants are the main issues (high-souled, 1995). According to the evaluation standard of environmental performance, companies must report on their environmental goals, and functions as the percent reduction of pollutants, hazardous waste generation, and reduction of Provide energy and reduce crime (Jafari, 1993).

- Background of the study:

Janan Hassan and Mohammad Heidari (2009) in a study entitled "Evaluation Reporting Financial performance, environmental pollutants companies listed in Tehran Stock Exchange by studying in the context of whether or not it is appropriate to report To investigate the binding rules and regulations on environmental and financial management knowledge and belief Financial managers reporting to the environmental benefits, the case is investigated. Based on The findings of Ibrahim Abbasi, Farhad Mohammadi (2012) in a study entitled "Evaluation of Costing Environmental companies certified 14000 ISO It appears that firms Pollutants listed in Tehran Stock Exchange's financial performance, its environmental Explanatory notes to the financial statements and the report of the Board of Directors to the General Assembly of Shareholders Shares to non-mandatory and voluntary use of different procedures, and the disclosure Corporate environmental performance is fluctuating.

The study AraOne Reviews (1963) Seven groups of investors, creditors, employees, partners, analysts, Government and the public have been recognized and refers to a variety of distinct groups and to Lack of attention to models of group decision-making, dissemination of information about the nature of social accounting Not practical. According to studies and research Dyrks Ntal (1985), despite the fact that the old accounting Social responsibility has long passed. However, users of financial reports may be Accounting policies applied by the Company's management, as a result of using And assist in Germany and Switzerland in 1985, according to the results of Social responsibility of the company to effectively and profitably pursued and Reporting important social tool in this especial ones (Anderson and Franke, 1980).

5. Conceptual Framework

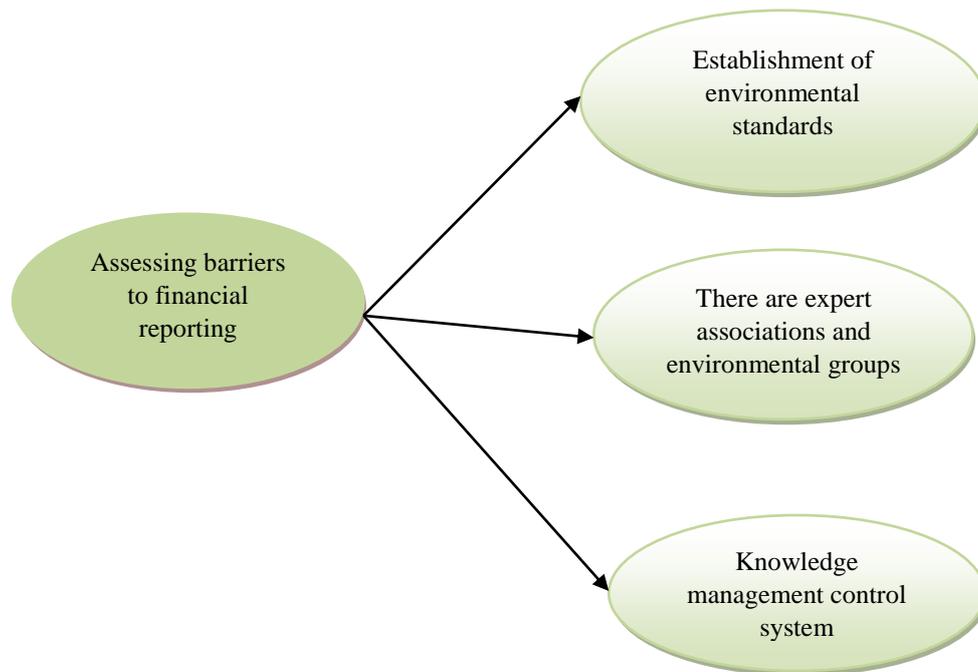


Figure1: Conceptual model of research

5-1. Hypotheses the research

- (1). hypotheses on the implementation of environmental regulations, standards and financial reporting has a significant environmental impact on expert associations and environmental groups.
- (2). second hypothesis on the implementation of financial reporting has a significant environmental impact.
- (3). the third hypothesis of the importance of knowledge management and environmental effects of the implementation of control systems, has a significant environmental impact on financial reporting.

5-2 Research Methodology

- (1). Research Methodology according to purpose: Applied.
- (2). Method of research which has based on the type of data: descriptive correlational and causal.
- (3). the objective of the present study and the implementation of a single cross-sectional survey was. To conduct research hypotheses package SPSS version 18 for Structural equation modeling and LISREL software version 8.7 was used.

The analytical model for assessing The research Rapporteur financial barriers are the main tool for data collection The questionnaire is based on the variable domains of the order of 35 questions Rapporteur measure of financial barriers (10 questions for managers' awareness of the importance and impact of systems Control, 12 questions for the establishment of environmental regulations and standards, there are 11 questions for expert associations and environmental groups) with n=5 Likert scale was considered. In order to 30 The questionnaire was pre-tested to assess the reliability of a prototype and then uses the data Obtained from the questionnaire, the Cronbach's alpha reliability coefficient was calculated for questions Variables, 0/874 for managers aware of the importance of the system Control 0/788 percent for the establishment of criteria and standards for environmental and 0/816 There was friendly societies and professional groups. These numbers indicate that the questionnaire In other words, the reliability and validity is necessary. In order to assess the validity of the questions the credibility factor is used. Factor authentication is a form of construct validity by analyzing Factor is obtained. Factor analysis is a statistical technique that is widely used in most humanities there. In fact, the use of factor

analysis in the directory where the use of questionnaires and tests and the latent variable is necessary. In this study, using First-order exploratory factor analysis, the primary variable for assessing barriers Financial Rapporteur was gathered that the results are as follows:

Table 1: Exploratory factor analysis of first order for

Percentage of variance explained	The name of factors in order to importance in the obtained variance	KMO value and Bartlett's test value	Exploratory factor analysis was first
82/429 percent	Managers' awareness of the importance and effects of control systems 55/614 Establishment of environmental standards and 17/754 There are expert organizations and environmental groups 9/061	KMO = 0. 966 Sig = 0. 000 Have the data required to run the analysis.	Assessing barriers to financial Rapporteur

5.3 Statistical Society

In the present study, due to the application of the statistical community, including experts and managers Employed by the Department of Health and the urban environment in Arak companies at the time of study is equal to 564. But since due to limitations in the statistical community, such as the time and resources spent there has been sampling and systematic sampling survey sample or systematic random sampling was undertaken, and the sample was drawn. Of the population using Cochran's formula for sampling and random sampling Simple random sampling was attempted. To estimate the sample size of the study the following formula is used:

$$n = \frac{N \times Z^2 \times P \times Q}{(N - 1) \times \epsilon^2 + Z^2 \times P \times Q}$$

$$n = \frac{564 \times (1.96)^2 \times (0.5)^2}{(0.05)^2 \times (564 - 1) + (1.96)^2 \times 0.5 \times 0.5} \cong 229$$

So that:

- N: The population study of 564 patients:
- Z²: Standard normally distributed variable by 95 percent
- P: hypothesis than 50 percent
- Q: hypothesis of absence by 0/50
- ε: Estimation of sampling error of 5 percent

Therefore, to test the reliability and generalizability of the results to the entire population, the sample size is greater than the minimum size to the 229 people employed in the health and the urban environment Arak was selected companies.

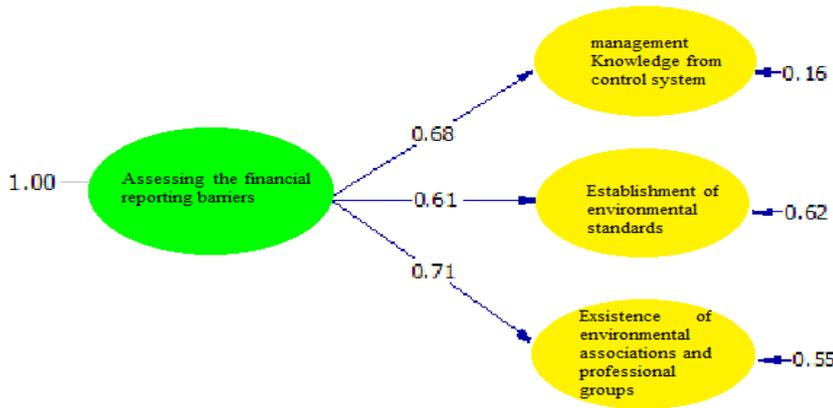
6. Findings

Table 6 presents descriptive statistics on the demographic variables of the study were presented:

Table 2: Descriptive statistics for demographic variables in the study

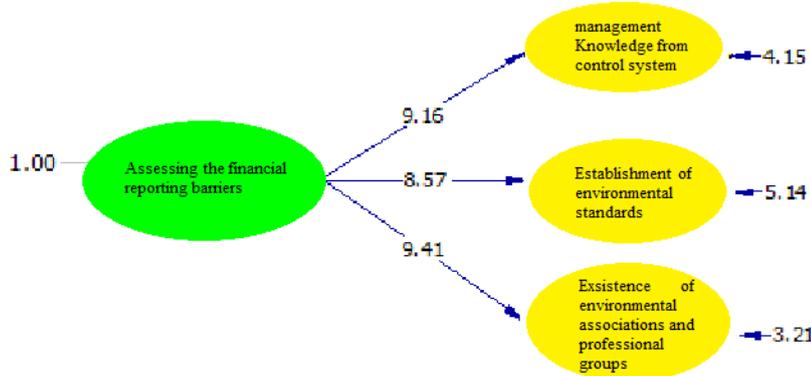
The frequency	Levels	Name demographic variables
72/5	Male	Gender
27/5	Female	
36/5	Diploma	Education
30/6	Master	
32/8	Master more	
22/3	Less than 10 years	Work Experience
41/5	10 to 15 years	
36/2	More than 15 years	
33/2	Production	Organizational Unit
48	Environment	
18/8	Financial	

Investigate the structural model (path analysis) research



Chi-Square=1118.32, df=557, P-value=0.00000, RMSEA=0.066

Figure 2: Standard Model for estimating



Chi-Square=1118.32, df=557, P-value=0.00000, RMSEA=0.066

Figure 3: Model numbers are significantly

Table 3: Results of the analysis of pathways related to the research hypotheses

Rating	Result hypothesized	T	The path factor	The Path	The research hypotheses
2	Verification	9/16	0/68	The knowledge of the directors of the financial reporting system	First
3	Verification	8/57	0/61	The establishment of standards and environmental reporting	Second
1	Verification	9/41	0/71	Of community and environmental groups, specializing in financial reporting	Third

All the research hypotheses are confirmed in this study. Because all the variables T path coefficient was greater than 1/96, thereby confirming all assumptions pick. The results showed that the variables associated with professional associations and environmental groups (with integer coefficients and significant effect 0/71, 9/41) had the highest impact on financial reporting and the obstacles placed in the first rank. Knowledge management and control system (ratio 68/0 significant number 16.9) was second, and finally the establishment of standards and environmental (the ratio of the number of significant 0/61, 8/57) has the lowest impact on financial reporting has been.

Model goodness of fit tests

Although different types of tests that are generally comparable indicators of fitness called steadily, develop and evolve, but still there is no consensus on a single test is optimal. The result is that several factors have presented papers and even different versions of SEM, such as the famous fitness program many of the parameters of the programs are. Having defined the model, several ways to Amos, EQS Lisrel estimates of overall goodness of fit of the model to the observed data there. The overall number of indicators used to measure the fit of the model, but is commonly used to verify the model, using the Open accuracy is sufficient. Overall, this study has been used to assess the goodness of fit all the criteria. A number of RMR, GFI, AGFI, RMSEA, NFI, NNFI, CFI relating to each indicator in Table (4) to come.

Table (4): indicators of goodness of fit of the model

Results	Value for our model	Acceptable value for a good fitness model	Area	Index Type	Index
Acceptable fitness model	Chi-squ1118/32 P = 0/38	Significance level P greater than is 0/05.	--	----	Chi-Square
The independence model = 1029/32 so accepted	144/84	Lower than the values of the independent	No	Information criteria	AIC
The independence model = 1367/22 so accepted	214/29	No	No	Information criteria	CAIC
Accepted	Standardized RMR =0/034	Lower than 0/05	0 &1	Information criteria	RMR ¹ Standard
Accepted	0/92	Greater than 0/9	Between 0 and 1	Adaptive	GFI ²
Accepted	0/92	Greater than 0/9	Between 0 and 1	Adaptive	TLI or NNFI ³
Accepted	0/92	Greater than 0/9	Between 0 and 1	Adaptive	CFI ⁴
The sample size was 229 and Greater so accepted	57/43	For different models	No	Sufficient sample size	N Critical

7. Conclusions and Suggestions

According to the results it was observed that the establishment of environmental standards, community and environmental groups, professionals and managers are aware of the importance and effects Environmental controls over financial reporting systems implement a significant environmental impact. Since the industrial companies incur expenses as environmental issues. Provide a good picture of environmental performance including the benefits of bearing the costs, the given current structure of accounting is difficult. For this reason, many companies cost without tackling its environmental benefits and the cost of the item and on Reporting Do not disclose their finances effectively. In fact, environmental disclosure and reporting procedures are and spent his early attention to improve corporate governance and increase public awareness about Sustainability reporting will require further development. Environmental disclosure and reporting; Still a concept widely accepted in the market yet.

7-1-offers from the assumptions Results

1. Based on the assumption that the significant impact of managers' awareness of the importance and effects
 - * The environmental control system over implementation of the financial reporting as a result of the is suggested:
 - * Increase public awareness of sustainable development in relation to the reporting managers Environmental finance firm.
 - * Adequate training and guidance on the disclosure and reporting of information Environmental Companies
 - * Training classes for managers in relation to the financial reporting environment Environment to encourage them to use their knowledge of environmental control systems Organization.
 - * Improved use of technology and pollution control systems in accordance with international standard Consideration should be firm and on the other parts must be free of material including asbestos is

prohibited. To achieve this it needs to develop a pilot system and recognition of the problems, quality and environmental information that should be compiled by Cause.

- * Making of documentary television programs with an introduction to environmental concepts and issues and risks for administrators and others.

- * Organizing conferences and congresses in the field of environmental education to managers and encourage them to use the control system

- * Promote environmental concepts in the form of brochures, booklets, magazines, and television productions.

2. The second hypothesis is based on the significant environmental impacts of norms and standards the implementation of environmental financial reporting was therefore suggested:

- * Provide rules and guidelines for companies to guide them to related information on Annual reports.

- * It is necessary to develop sources of accounting guidelines and procedures and guidelines Expenditure on how to deal appropriately with environmental organizations to provide end to the creation and deployment of the public accounting environment.

- * According to the environmental costs through separate accounts to Environmental standards are met.

- * Various environmental laws and regulations in various fields, especially in areas that there are more gaps to be developed and approved by the Company.

- * Reviewing and amending some laws and regulations related to environmental pollution firms given the current status can be useful to companies.

- * Enact and amend laws, leading to firm up and pay more attention to the prevention The creation of pollution or to reduce them and reporting the performance of the How to deal with pollution and the methods used to prevent or reduce pollution.

3. The third hypothesis is that there is a significant impact of professional associations and environmental groups. The implementation of environmental financial reporting was therefore suggested:

- * Organizations for the use and application of the accounting system needs to be familiar with it and enjoy Procedures and guidance that are required by the RFC Editor.

- * Introduction employees (accounting) reporting to identify and record the impact of degradation and environmental pollution.

- * Requires an environment environmental management system that is integrated with Baystty perform other management systems which require specialized groups Environmental.

- The accounting guidelines required by the professional accounting bodies.

7.2 offers Applied

1) Much of the environmental costs that may have added value to the products, Processes and systems do not produce, can be reduced or eliminated as a result of decisions made by the organization.

2) Better management of environmental costs, can lead to improved environmental performance and create significant benefits for human health and the success of the business unit.

3) Part of the environmental costs can be recovered through revenues such as being adjusted or sell scrap.

4) Improve environmental performance through better management of environmental costs, can enhance the credibility of the company and create competitive advantage.

5) Environmental management costs, thereby supporting the development of environmental policy Management system and also causes the formation of a starting point for data collection Environmental reporting back to the public. Accounting environment, is a broad concept with different meanings and uses of Used differently.

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