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FROM DARK AGES TO ENLIGHTENED REPORTING

Modern day company reporting finds its roots as far back as 7500 BC, which is when we believe the first rudimentary form of accounting records and tokens may have been used to track certain business activities. Of course, there are more accurate details of record keeping from 1000 AD onwards, when Italian merchants used more sophisticated forms of bookkeeping in response to their trade growth. The double entry bookkeeping system found its way between the 1500 - 1700 era, as charted companies required improved records and systems when colonialism expanded. But it wasn't until the 1930's when the US authorities started regulating accounting practices in response to the stock market crash and widespread fraud, that a true business reporting framework became evident. It was only in the 1970's when the concept of *Corporate Social Reporting (CSR)* was born, where companies were becoming more pressurised to consider their 'dues' to other stakeholders.

For centuries behind us, the privileged few who commanded empires and businesses, had the power to control information regarding their wealth and activities. Consequently, they were able to prevent ordinary class citizens from participating in an economy in any meaningful, dare we say 'fair' way. Fortunately times have changed this prehistoric and repugnant behaviour, which in almost all cases left people and the environment massively deprived -- even damaged -- through the greed of a few.

And so we have finally realised the critical importance and power of citizens acting in unison with all the role players as it relates to the supply chain of business, locally and internationally. Through their collective performance, and the transparent relationships based on mutual trust, one is hopeful that the future of a company's business and its strategy will greatly underpin, and preserve, long term value for all its stakeholders and ultimately the country at large. This can only be achieved where companies fully subscribe to integrated reporting, which is -- according to the King III Code on Corporate Governance -- defined as *"a holistic and integrated representation of the company's performance in terms of both its finance and stability."* Unlike years gone by, stakeholders are increasingly requiring in-depth information on companies in order to make informed decisions on the company's *true value, performance and sustainability*, as they decide whether or not to support it.

Indeed, without the support of the company's stakeholders -- unlike their predecessors of earlier times -- a company is doomed to certain failure. To maintain the support of its stakeholders, companies will be required to provide them meaningful information that covers all aspects of the company's performance and position. This information must be underpinned by reporting principles that provides assurance and honest representation where there is substance over form. With a heightened awareness of fairness and transparency; for those companies who intend to outperform their competitors - they will need to prove their worthiness of support by their stakeholders through their ability to create and sustain value at all levels. Such sustainable value must cover the financial, societal and environmental aspects, as well as the impacts the company has upon these areas, albeit positive or negative.

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There is much hope still to come, considering where we started as peasants of the land, owned by the few elite some time back. Through the work of the International Integrated Reporting Council (IIRC) -- established in 2010 under the guidance of the Global Reporting Initiative (GRI), international regulators, investors and businesses amongst other -- stakeholders will truly be wiser and better off as they see the overall picture of a company.

Moving forward, stakeholders will have the ability to decide both for financial and or ethical reasons, whether a company is deserving of their support, and whether it should be allowed to continue its operations should such operations be offensive or damaging to the environment. According to the IIRC, integrated reporting will bring together the material information about the company's strategy, governance, performance and prospects in a way that reflects the commercial, social and environmental context within which it operates. Such transparency, which previously was amiss, will provide a clear and concise representation of how a company demonstrates stewardship and how it creates value, now and in the future.

South Africa is one of the first countries worldwide to actively encourage integrated reporting as a recommended business practice and this is articulated in King III. However through the Listing Requirements, it is now mandatory for all JSE listed companies. Long may integrated reporting live!

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