Norazita Marina Abdul Aziz: University of Strathclyde
Social Responsibility Disclosure and Accountability Relations: CASE STUDIES OF MERCY MALAYSIA (MERCY) AND MUSLIM YOUTH MOVEMENT OF MALAYSIA (ABIM)

One of the most significant current debates on not-for-profit organisations in accounting surrounds the area of Non-Governmental Organisation (hereafter, NGO) accountability. Unerman and O’Dwyer (2006) highlight a need to focus on ‘social’ accountability mechanisms and the functional role of accounting in discharging accountability. With this in mind, this paper examines the role of accounting in articulating NGO accountability relations. The study is motivated by Munro (1996) reminds that accountability can be extended beyond traditional reporting into forms of actions including conversation, behavioural explanations and reasonable conduct. And, it attempts to answer whether the corporate social disclosure framework is an appropriate mechanism through which NGOs discharge accountability. The central theoretical framework of the study is developed from Rawls concept of “closeness” in bringing individuals together to result in mutual commitments through shared moral values. It is argued that this moral positioning of “self” translated through language and articulation has the capacity to formulate a cooperative community (Taylor, 1989) through the collective action of individual acting together within the “communitarian” position (Lehman 1999). This theoretical stance is unique as it is an initial exploration in framing moral positioning within the NGO accountability relations through social context in accounting. The empirical contribution is achieved through interpretive case studies of two NGOs in Malaysia, namely Mercy Malaysia, an international disaster relief NGO, and the Muslim Youth Movement of Malaysia (ABIM), a religious NGO prioritising the Islamic community. Between November 2008 and July 2010, extensive research was conducted through a series of in-depth interviews, documentary review and observations.

Together the theoretical and empirical contributions, the paper provides an understanding of representation ‘closeness’ of accountability relations, which fall outside of the traditional corporate social disclosure framework. Within Mercy and ABIM the articulation of accounting is recognised as a mechanism to establish new boundaries of the community within which the NGO’s operates. For Mercy this involves the use of annual reports to negotiate physical access to relief sites on the basis of communal values. However, in the ABIM, the accounting mechanisms highlight the values of a well-defined Islamic community in public policy debate. In each case NGO’s action, including accounting disclosures, emphasise the moral foundation underpinning plural rationalities for humanitarian assistance and social movements provided by Mercy and ABIM respectively.
Abukari Salifu Atchulo: The Open University
Funding Models for Electric Vehicles

The uptake of Electric Vehicles can encourage and facilitate the shift from a fossil fuel transport system to a low carbon one. The Milton Keynes Light Electric Vehicle (ELVIS) project is looking to the widespread uptake of battery electric cars from 2012 onwards. My PhD research is linked to this project. Any capital project that seeks the control, reduction, or prevention of pollution is an environmental investment (White et. al., 1995). This research is focusing on organisations (fleet) users of cars. A key finance issue is that battery electric cars have a different financial structure to petrol/diesel cars. The purchase costs are high but running costs are low. Additionally, there are other social and environmental costs elements which organisations may consider when deciding as to whether to take up an environmental investment like the electric vehicle and may be viewed in a Corporate Social Responsibility context. White et. al., note that usually projects with a strong environmental content are automatically labelled “environmental” and escape systematic financial analysis even though they may, in fact yield a competitive return if profitability analysis were performed. Burritt and Schaltegger (2010) indicate that sustainability accounting research should be oriented towards improving management decision making. Traditional capital budgeting techniques do not integrate social and environmental issues which cannot be overlooked in recent times into the evaluation process. This study primarily looks at why and how organisations undertake such social and environmental investments.

My PhD project would adopt the New Institutional Sociology (Dillard et. al., 2004) as a guide to the study. The project is expected to involve a combination of survey and discussion group work with organisations that are likely to take up electric vehicles or be involved in one environmental investment or the other. In depth interviews with management accountants and others entrusted with decisions regarding capital investments would also be undertaken with the Milton Keynes electric vehicle project as the case study. The research would use the interpretive methodology. The researcher holds the opinion that reality is socially constructed; hence emphasis will be placed on the social context within which accounting/capital budgeting takes place.

Christoph F. Biehl: St Andrews University

This paper is based on the assumption that because of the diversity amongst SRI funds it is too simplistic to divide the mutual fund universe in two blocks of SRI (socially responsible investment) funds and conventional funds. Therefore, a unique rating of UK SRI funds is used which takes screening criteria as well as the rigorousness of their application into account. In order to analyse the relationship between social and financial performance the 3-level Carhart model is used. The underlying sample consists of 50 UK SRI funds whose returns between July 1998 and July 2010 are analysed. The results show that the portfolios with the highest social ratings underperform significantly, whilst the portfolios with the lowest social ratings do not significantly underperform the market. However, no clear linear pattern is revealed through the analyses. Therefore, it can be concluded that more social performance does not automatically mean less financial performance.

Keywords: UK SRI funds; rating; social performance; financial performance; three level Carhart; socially responsible investment

Jieun Chung: Concordia University
Independent Assurance of Sustainability Reports and Its Value-Relevance to the Stock Market Investors

This paper attempts to investigate the value-relevance of sustainability report assurance by independent auditors. There is evidence that sustainability disclosures are complementary to financial disclosures and voluntary assurance of disclosure is associated with reduced cost of equity. It is plausible that increased credibility, reliability, and relevance in sustainability reports could help investors to better utilize the information. The model predicts that third-party assurance of stand-alone sustainability report will increase the value-relevance of the sustainability report. Contradictory to the prediction, the result shows no significant informational usefulness added by the issuance of sustainability reports, nor the external assurance of sustainability reports.
Salomi Dimitriou: University of King’s College of London
Investigating the Progress of Environmental Reporting in Cyprus

The beginning of 1980’s marked a new era for environmental concern. Since then, we have witnessed a remarkable increase in the number of organisations engaging in environmental responsibility and reporting. Academics have been studying corporate social and environmental reporting in United Kingdom, USA, Australia and other large countries for many years, resulting in an exhaustive amount of literature. Nevertheless, studies on island societies are omitted. Island societies are areas with intense environmental destruction and fragile ecosystems; therefore they deserve special attention. The aim of this study is to analyse and discuss environmental reporting in Cypriot organisations. My research question asks why Cypriot organisations appear reluctant to follow the wave of environmental reporting.

Yaning Du: University of St Andrews
Corporate Social Responsibility Reporting in Mainland China

Based on a content analysis approach, this paper aims to identify the determinants of corporate social responsibility (CSR) reporting in China using stand-alone reports of the top 500 Chinese companies from 2006 to 2010. It is found that CSR reporting is positive associated with various factors. In addition, companies in environmental sensitive industries tend to report more environmental responsibility information than others. However, this research shows laws, regulations or guidelines have little impacts on the reporting in China. The research results support the stakeholder theory in an emerging market with important and relevant insights for enterprise managers interested in exploiting the reports as a tool to communicate with their stakeholders.

Osamuyimen Egbon: University of St Andrews
Accountability of Multinational Companies in Nigerian oil sector

Accountability is construed as responsibilities to undertake actions (or forbear from actions) and to provide account of such actions to those with the rights to know and a process of holding actors responsible for their actions, which arises from a relationship between parties. However, there is no consensual definition of accountability within and across disciplines. From organisational perspective, the multiple conceptualization of accountability gives it the leverage to rest on the sensemaking of those who practice or claim to practice it. Moreover, the way it is conceptualized and practiced by an organisation is shaped by the organisation’s episteme (which according to O’Leary and Chia, 2005, p. 392 is “the underlying code of a culture...that governs its language, its logic, its schemas of perception, its values”) What organisation conceptualizes as accountability derives from how it makes sense of its responsibility. In this regard, responsibility is thought of as preceding accountability. This work draws on the epistemes of sensemaking (O’Leary and Chia, 2005) to analyse the ideological frame of corporation’s conceptualization of accountability. As this study focuses on the accountability of MNCs to host communities in respect of the environmental and social impacts of the former’s activities, the notion of accountability held by the MNCs will to a large extent influence their attitude towards the adverse environment consequences suffered by the communities. And this will also have implications for corporate accountability with respect to environmental liabilities.

Akrum Ekara: University of Aberdeen
Assessing the measurement of quality of corporate environmental reporting: UK Evidence

Extant CSR and sustainability literature has diligently searched who is reporting, what is reported and how much is reported (e.g. Ingram and Frazier, 1980; Wiseman, 1982; Gurthrie and Parker, 1990; Gray et al., 1995; Walden and Schwartz, 1997; O’Dwyer, 1999 & 2003). Additionally the style of content in annual reports, the use of narrative, graphs, and more recently images, have provided a basis for not just assessing the accounting but also the readability and reporting quality (Cerf, 1961, cited in Singhvi and Desai,1971; Cooper and Sherer, 1984; Frazier et al., 1984; Rowe and Giroux, 1986; Beattle and Jones, 1992 & 2000 & 2001; Jones and Shoemaker, 1994; Sydserff and Weetman, 1999; Clatworthy and Jones, 2001; Jensen et al., 2006; Beretta and Bozzolan, 2008; Roberts and Kamla, 2010). Although report content, scope, and visual design have provided a basis for measuring the quality of sustainability reporting, to date most prior research has looked simply at the volume or the type of disclosures made in assessing the quality of the CSR report. Dominant among the research methods used is content analysis, assessed by word, sentence or page counts, readability measures, and proportional analysis of good/bad news. Normally, such research uses quantitative measures to draw statistical inferences about the quality of CSR reporting (e.g. Wisman, 1982; C. Roberts, 1991 & 1992; Roberts, 1992; Hackston and Milne, 1996; Kolk, 1999; Kolk et al., 2001; Toms, 2002; Al- Tuwajri et al., 2004; Cormier et al., 2005; Hasseldine et al., 2005; Brammer and Pavelin, 2006 & 2008). However, there is no reason why quality should be synonymous with quantity. Consistently, it is often assumed that the
importance of a disclosure can be meaningfully represented by the quantity disclosed with little discussion of the logic behind this assumed correlation. In addition, the meaning and nature of communication tools, and their effects on stakeholders' perceptions, has been under researched.

Recognising the fact that robust, reliable, and replicable quality assessment is problematic, this research aims to achieve three main objectives. First, the study seeks to define the quality of corporate environmental reporting less subjectively, and understand how quality should be measured. This will be based on the results of a questionnaire ascertaining the perceptions of both preparers and users of annual and CSR reports. Second, applying a disclosure quality model(s), compiled from the findings of the first objective, to FTSE100 Companies to ascertain whether previous quality assessment methods are good proxies for this more complex preparer and user defined model. Third, to investigate whether the common use of annual reports, rather than more detailed CSR’s, to assess corporate environmental disclosure quality is potentially giving a misleading picture of the wider level and depth of disclosure available to stakeholders.

Even Fallan: Trondheim Business School
Environmental reporting as an innovation: What kind of information

It is claimed that legitimacy theory has become the pre-eminent theory to explain the development of social and environmental disclosures. The theory makes important contributions concerning which companies to report environmental information and why. However, legitimacy theory is not equally relevant in predicting what kind of information companies do report. The reporting of environmental information can be seen as an innovation, both initial adoption and later improvements. The theory of adoption of innovations might be a helpful perspective to predict the rate of adoption of different information categories (the likelihood of them being reported).

Dewi Fitriasari: Narotama University
Eco-campus and education for sustainable development in Indonesia: Initiatives for creating accountable sustainability education? (with Dr. Arasy Alimudin, Ragil Sugiharto, Hadi Cahyono)

Universities in Indonesia increasingly join the sustainability initiatives known as eco-campus. The initiatives are parts of the sustainability programmes of the environment bureaus (badan lingkungan hidup) under the Indonesian ministry of forestry and environment. The purpose of the programme is to increase sustainability awareness and therefore, is a form of educational programme in university level.

We critically evaluate the internal reforms aimed to meet the requirement of eco-campus, link the reforms to the recently introduced initiative of education for sustainable development (EfSD) in Indonesia by the directorate general of higher education, and conclude whether future adoptions of both programmes by universities contribute to creating accountable sustainability education.

This study applies contingency theory and stewardship theory to disclose:
1. Institutional reforms in Indonesia within the framework of eco-campus.
2. How universities report the reforms within the framework of eco-campus.
3. Why universities are interested to join the EfSD initiative.
4. And, ultimately, to conclude whether the adoption of both eco-campus and EfSD will create accountable sustainability education in Indonesia.

Leung Cheng Han: University of St Andrews
Corporate Social Responsibility & Gambling Industry: An Exploratory Study

Corporate Social Responsibility (CSR) is one important response to the increasing levels of criticism that corporations experience. Despite the growing importance of CSR in accounting, financial management and management more generally, it remains a contentious term. Some studies have concentrated on CSR in specific industries – notably the oil (Coupland, 2005), banking (Coupland, 2006) and retailing (Islam and Deegan, 2008) industries; however, some contentious industries, for example, the gambling industry remain unexplored. The nature of the gambling industry seems to be a source of conflict that is potentially so important in CSR and may be more explicit and thereby clearer in this industry. Thus, the gambling industry may represent a special case in the CSR literature.

This current study attempts to investigate to what extent and how CSR is understood in the gambling industry and the implications this has for corporate posture and communications more generally. The study’s primary focus will be on Macao (China), where gambling is such a significant part of the economy. However, Macau will be compared with a range of other countries where issues of CSR and gambling are considered: notably Hong Kong, Australia, the UK, the US and South Africa. It is anticipated that the study will not only enhance knowledge and understanding of both
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CSR and gambling in a developing country but should be able to give us a broad overview of the gambling industry itself. This research employs three research methods: content analysis, discourse analysis and interviews. First, a content analysis of corporate annual reports will provide an overview of the gambling industry. Second, a discourse analysis will be undertaken to explore how language and text in corporate annual reports construct the meaning of ‘CSR’ and ‘responsible gambling’ in this industry. Third, semi-structured interviews with employees and representatives at different levels in various gambling companies and NGOs in Macao will be undertaken.

Aminu Hassan: University of Abertay Dundee
Corporate Environmental Accountability in the Nigerian Oil and Gas

This study addresses the research question, how environmentally accountable are companies in the upstream sector of the Nigerian oil and gas industry with respect to environmental degradation being caused by gas flaring and oil spillage?. Specifically, the study evaluates CEP, CED and their empirical relationship of oil companies in the sector. Consistent with Pollution Haven Theory and Environmental Kuznets Curve Hypothesis, empirical results documented so far reveal that gas-flaring-based environmental performance of companies in the sector is significantly low and it is influenced by political visibility and size variables. Further, supporting these theories, the results show that Nigerian environmental regulations have insignificant impact on the CEP of the companies in the industry.

Mia Kaspersen: Copenhagen Business School
Boundaries in social and environmental reporting: Constructing accounting entities

Based on multiple case studies this paper examines boundary setting in CSD in order to expose: How and why accounting entities are constructed? The purpose is to gain a more comprehensive insight into the underlying decisions which define the accounting entities of the reporting organizations. Attention is paid to the organizational members involved in disclosure decisions and the inclusion and influence of stakeholders on such decisions. Practitioners and guidelines often emphasize that CSD is stakeholder driven and this research might question these claims. Thus, this paper contributes by seeking explanations of the patterns of CSD with reference to the rationales upon which reporting boundaries are based.

Andrea Liesen: Leeds University
Reporting Hot Air? Determinants of Incomplete Corporate GHG-Emissions Disclosure in Europe (with Andreas G. F. Hoepner and Frank Figge)

In this paper we examine determining factors of corporate Greenhouse gas (GHG) disclosure and the comprehensiveness of these disclosures. Using data gathered from corporate reports and the CDP for a sample of 362 companies, we classify disclosures of absolute levels of GHG-emission according to the boundary of reporting applied as well as the type and scope of emissions reported. We find that on average over a five year period only 21% of companies claim to report GHG-emissions that cover all corporate activities. Applying logit and probit models we investigate determinants for the predominantly incomplete corporate disclosure of GHG-emissions in Europe.

Hannele Mäkelä: University of Tampere
Regulation for social and environmental accounting and reporting

This study focuses on a less studied area of regulation for social and environmental accounting and reporting. It first explores regulation for SEA within Europe (including initiatives), and second, critically discusses the current state and possibilities for regulation. Previous studies on SEA show that the current practices fail to provide a more transparent view? of business operations. This study speculates on the possible impacts of more/less regulation for SEA. It contributes by shedding light on the current practices as well as by analyzing the alleged need for regulation, drawing on previous literature as well as on the socio-political context within which the regulation takes place.
Arleta A. A. Majoch: St Andrews University
The Impact of the UN Principles for Responsible Investment on ESG Practice: Five Years of Evidence (with Tessa Hebb, Carleton University and Andreas G.F. Hoepner)

UN Principles for Responsible Investment (UNPRI) has been launched in 2005 with the objective of raising environmental, social and governance (ESG) standards of investment practices among its signatories, who are now close to 500 institutional investors with $25 trillion assets under management. This paper argues that in the last five years since its foundation in 2005, the UNPRI has had a positive impact on the ESG standards in investment practices of institutional investors and consequently also on ESG standards in investee companies.

The empirical data on which this argument is based is drawn from the confidential annual reporting mandatory for PRI signatories and a database of shareholder engagement initiated or coordinated by the PRI. We apply Mitchell et al.’s theory of stakeholder salience to this data to determine the impact of PRI activity to date on investment and corporate ESG standards.

We find that the analysis of the available data and cases implies that there has indeed been some positive impact of the PRI on ESG standards in the investment industry and corporate activity. We close the discussion by identifying areas for future research in the field.

Jonathan Maurice: Université de Montpellier 1, France
Organisational Hypocrisy: The case of environmental disclosure after major disasters (with Charles H. Cho and Emmanuelle Plot-Vicard)

The objective of this paper is to analyze the disclosure of voluntary environmental information by a company after an environmental accident. The analysis was based on a longitudinal case study from 1999 to 2010 of Total S.A., a large European petroleum company that was adversely affected by two consecutive major environmental disasters – the 1999 Erika oil spill and the 2001 AZF factory explosion in Toulouse, France. We attempt to go beyond legitimacy theory (Cho, 2009; Deegan, 2002; Patten, 2002) and rely on the theory of organizational hypocrisy (Brunsson, 1993) to frame our study and find that Total S.A. uses double standard disclosure practices depending on the type of the report (standalone CSR vs. annual report) after an environmental accident. Total S.A. disclosed significantly less negative information about the disasters in its standalone CSR report than in its annual report whereas the extent of positive or neutral information is significantly higher in the CSR report than in the annual report. We also plan to analyze the language and verbal tone (and how they change over time and around disasters) using the DICITON software to reinforce the organizational hypocrisy.

Keywords: environmental information, organizational hypocrisy, legitimacy, Total SA

Stacey McPhail: University of Strathclyde
Examining the black-box of the drug approval decision: Initial finding of constructing accounts from inside the box

This paper develops the growing literature on the use of Actor Network Theory in social accounting research by presenting some preliminary insights from fieldwork into the ‘black-box’ of drug approval decisions within the context of the NHS. The analysis of this fieldwork suggests that Actor Network Theory provides a framework for mapping the boundary of the black-box and translating the role of human and non-human actors in the giving and receiving of both public and shadow ‘accounts’.

Rodney Ndamba: University of Zimbabwe
Global Reporting Initiative Framework: Exploring of experiences and trends in sustainability reporting in multinational mining companies in Southern Africa

The Global Reporting Initiative (GRI) framework has grown in application and influence around the world. GRI reports have also continued to increase over the period concurrent to the framework’s evolution from G1 to G3.1, with G4 in development. Consequently, it is becoming fundamental to explore experiences of users of the framework to gain concise understanding of fundamental application strengths and weaknesses. Secondly, understand causes and factors of effect or influence in practical GRI reports preparation. The proposed research is motivated towards understanding any underlying philosophy or theory, if any, from factual and experiences from multinational mining companies in Southern Africa.
Akintola Owolabi: Lagos Business School, Pan-African University
Social and Environmental Disclosure in the Annual Reports of Nigerian Companies

Purpose
This study aims to investigate the extent of social and environmental disclosure in the annual reports of Nigerian companies and determine the drivers of disclosure.

Design/methodology/approach
Desk research approach is adopted. The sources consulted include; the internet, academic and professional journals, company annual reports and accounts. The approach is to identify disclosure with regard to environmental issues, community involvement and human resource engagement; in relation to different characteristics of the sampled companies.

Findings
We expect to find if the companies somehow disclose social and environmental information, The most disclosed theme and the lowest disclosure among the companies. It will also be revealed if a significant association exists between company characteristics such as size, ownership structure, industry type and foreign affiliation

Conclusion
We expect this research to contribute to the work on empirical work on social and environmental disclosure

Keyword(s): Social and Environmental Disclosure, Social Reporting, Environmental Reporting, Annual Reports.

Ma Andrea Palacios Cordero: Pablo de Olavide University
Assurance practice in Sustainability and CSR reports: An analysis of the Spanish case

Purpose: The aim of this paper is to analyse sustainability assurance reporting practice within the Spanish context where the publication of GRI reports has burgeoned during recent years. Specifically, the paper intends to unveil whether assurance sustainability reporting practice in Spain exhibits distinctive features or conversely conforms to the observed practice in other contexts to critically reflect and address the issues of independence, materiality, completeness, stakeholder inclusiveness and management control of the assurance process.

Design/methodology/approach: A content analysis has been carried out over the assurance statements of Spanish sustainability reports published according to the GRI G3 Guidelines, with an A+ level, during 2006, 2007 and 2008. An interactive approach among previous literature, evidence from practice and GRI, AA1000 and ISAE3000 recommendations have been used to identify the categories for content analysis as well as the research questions to address each category in the analysis.

Findings: Shared pattern of behaviour, especially in terms of independence, management control and the trend to close any expectative of find a reasonable assurance level, but differences regarding the assurance standards acceptance.

Originality/value: Explicit reference to ethics code of Professional Accountants of IFAC as a way of legitimating and facing the issue of independence. Another interesting insight is the instrumental use of AA1000 as a way of coping with the issues of completeness and stakeholder inclusiveness.

Keywords: Assurance, independent verification, credibility, transparency, sustainability and CSR reporting.

Paper type: Research paper.

Dina Wahyuni: University of South Australia
Roadmaps to nowhere: A comparison of climate policy compliance in developed and developing countries (with David Round, Janek Ratnatunga)

The concentrations of greenhouse gases in the atmosphere have risen dramatically, leading to the possibility of costly disruption from rapid climate change. The United Nations Framework Convention on Climate Change (UNFCCC) and the Kyoto Protocol are two most influential international treaties to encourage countries to take actions towards a low carbon future. While suggesting three market mechanisms for Kyoto-ratifying countries to cut their emissions levels efficiently, the Kyoto Protocol provides no mandatory policy framework to be adopted globally. Coupled with the principle of the Kyoto Protocol, ‘common but differentiated responsibilities’, that imposes emissions reduction targets for developed countries and no emissions reduction targets for developing countries, the global initiatives to tackle anthropogenic climate change have been translated into a wide spectrum of country-level climate policy architectures in developed and developing countries.

The European Union (EU) and Australia are examined in this study as representatives of developed countries. China with its fossil fuel use, and Indonesia with its deforestation, were selected as the biggest contributors to their high
emissions levels to explore climate policy architectures in developing countries. These selected countries reveal various roadmaps for designing and implementing their climate policies to curb emissions. The extant studies examining the likely compliance costs of these carbon policies are still very few and limited to developed country settings. Two plausible frameworks to estimate carbon compliance costs are provided by Betz (2006) with the start-up and on-going costs model, and Lund (2007) with the direct and indirect costs model.

Keywords: the Kyoto Protocol, ETS, carbon compliance costs