

ACCOUNTING, ANALYSIS AND AUDIT

Accounting for environmental decision making within the system of energy efficiency

Hilorme T.V.

Candidate of Economic Sciences,
Senior Lecturer at Department of Statistics, Accounting and Economic Informatics
Leading Research Associate of the Scientific Research Institute of Power
Oles Honchar Dnipropetrovsk National University

Kuznetsova O.N.

Student
Oles Honchar Dnipropetrovsk National University

The article considers environmental accounting as informational support for environmental decision-making within the framework of the energy efficiency system. The paper discloses the essence of environmental accounts, studies the international practices of implementing the environmental aspects into the accounting and reporting system as well as the possibility of their introduction to the accounting and analytical practice of domestic enterprises.

The society has long recognized the necessity to revise the traditionally consumer-centered paradigm of economic management and transition to 'friendly' form of co-existence with the environment within the framework of sustainable development concept.

Presently, there exists an entire range of approaches to the formulation of the accounting system capable of meeting the demands of enterprise management to making adequate managerial decisions and providing the external circle of interested parties (stakeholders) with trustworthy information with regard to economic, environmental and social aspects of enterprise activity.

The publication considers the experience of countries with developed market relations (Germany, Austria, Italy, Sweden) in respect of integrating the environmental aspects into the system of accounting and reporting. For instance, Italian Fund Fondazione Eni Enrico

Mattei (FEEM) has developed a methodology of integrated environmental accounting that serves as an indispensable integral constituent of environmental policy of the enterprise and the system of environmental management amassing and processing data retrieved in the process of audit and monitoring and making it possible to determine the goals of the current operating management.

Sweden has seen the development and practical approval of the new system of accounting based on the concept and strategy of sustainable development. Indicators that characterize the performance are tightly bound with the concept: environmental efficiency, economic feasibility and profitability. Such an approach has received a name of SDR – Sustainable Development Reporting.

The aim of environmental accounting, ecological audit and environmental control is to display the environmental impact of each separate enterprise upon the macro- and micro-environment and to perform their comparison to the environmental standards. Adequate consideration of ecological aspects of enterprise activity and their reflection in the accounting reporting will provide the users with the information necessary to make optimal managerial decisions and will determine the possibility to fully account for risks and to realize the chances of environmentally conscious enterprise management.