



TYPES OF AUDIT REPORTS AND THE NEED TO STRIKE A BALANCE BETWEEN FINANCIAL AND NON-FINANCIAL REPORTS

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Given the importance of corporate social responsibility, firms are evaluated based on social performance and the type of interaction with community and environmental stakeholders. Reviewing the evolution of the concept of financial reporting, social and environmental auditing can be mentioned as important changes in this concept. The new phase in the field of auditing seeks to strike a balance between economic activities and social values. Social responsibility auditing seeks to assess the effects of the non-financial objectives of an organization or economic entity that systematically and legally reflects the performance of the organization and the views of its stakeholders (George Gyder).

The main reason for conducting a social audit is to distinguish between what is actually desirable in society and what society achieves in practice. The gap between them creates a diversion that actually diverts the public budget from its original operating path. In the current situation, considering the importance and necessity of conducting operational audits, as well as considering the preamble and the importance of social responsibility auditing, interdisciplinary standards of financial, operational and social responsibility auditing should be established

by international auditing firms.

Establishing the balance between financial audits that seek to evaluate impartially evidence of claims relating to economic activities and events, and operational audits that seek to determine how resources available to management are using as efficient as possible to achieve the best possible results and social auditing that measures the effects of non-financial objectives of different parts of the activities of companies and executive bodies on different stakeholders is essential. In this regard, the role of international auditing firms in creating and formulating balanced and practical standards for the implementation of various types of auditing (financial, operational and auditing) is essential. Creating legal requirements for auditors to submit reports on various types of audits, as well as publishing reports received by the general public, can be effective in evaluating the various activities of firms and executive bodies. On the other hand, the importance of the issue of sustainable development and the requirement of different societies to observe appropriate conditions for achieving sustainable development, the importance of social auditing and performance auditing



along with current financial audits becomes more apparent.

In order to achieve this important goal, international auditing firms should establish practical and practical standards regarding auditing among different communities.

Taking effective steps to create balance and achieve the goals of submitting various types of audit reports (financial, operational and social responsibility) is by setting legal requirements for reporting various types of auditing companies and executive bodies.