

Web Reporting- A tool for Corporate Disclosures

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Abstract

Corporate Disclosures are mandatory for all corporate organizations as per the law. There are various tools to present the financial information of a company. One such technique used for reporting and disclosures is web reporting, The chapter discussed various features of web reporting and its benefits. It looked into the world statistics on usage of the internet and how the penetration of the internet has eased the reporting practices now a days.

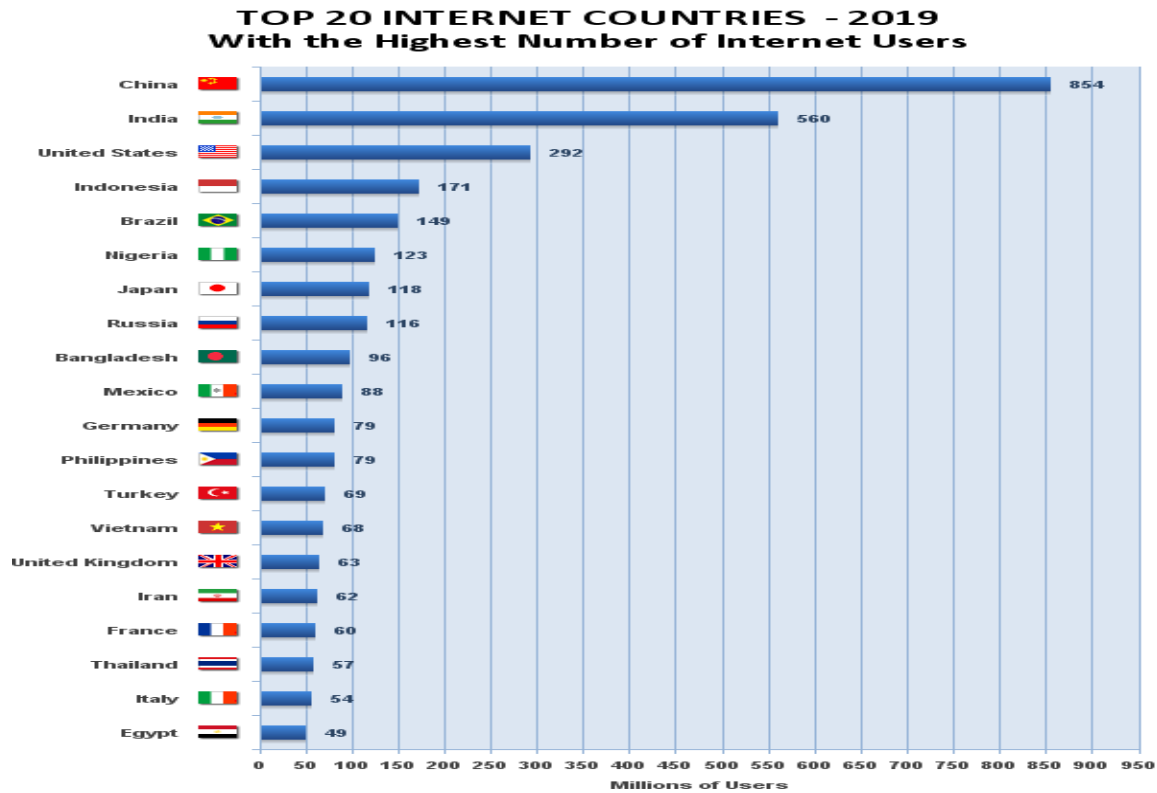
Introduction

The internet has nowadays given businesses and the people who use their financial data a tonne of better options for low-cost financial reporting. Corporate reports can be distributed to a wider audience with the aid of the internet. The ability to easily and frequently update information is also beneficial. The scope of financial information, annual reports, interim reports, quarterly reports, etc. has increased due to web financial reporting.

Usage of Internet

Figure 1 displays data on the top 20 internet-using nations in 2019. India is the country with the second-highest percentage of internet users, while China has the greatest proportion. The figure contains data of the top 20 countries using the internet. These countries' combined figures have greater proportions than all the rest of the world. India has a total of 560 million users of the internet as compared to 854 million in China. Even the developed countries like the United States and the United Kingdom have fewer users of the internet than India. There were 24 percent internet users worldwide in 2009; by 2019, that number had risen to 51 percent.

Figure 1



Source: Internet World Stats - www.internetworldstats.com/top20.htm
 3,213,351,128 Internet users in the Top 20 countries in June 30, 2019
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Source; Internet World Stats- <https://www.internetworldstats.com/top20.htm>

Web Reporting in Current Scenario

Due to the rise in internet usage, businesses have begun to report online as well. Shareholders receive the annual reports of the companies via mail.

Web-based reporting lowers publication costs and aids in comprehensive coverage. Reports can be delivered at any time and anywhere. This aids businesses in being both time and cost efficient. Cost, Speed, Dynamism and Flexibility are advantages of financial reporting through internet. (Lymer, 1999).

Recent economic, market, and regulatory changes that mandate that businesses gather and publish information about financial performance, social and environmental issues, and corporate governance more frequently, in detail, and in a variety of formats, have led to an increase in the significance of web corporate reporting. The practice of communicating with stakeholders is now widely used. Instead, according to the Right to Information Act of 2005, companies are legally required to disclose information on their websites, regardless of the companies' wishes.

Advantages

One of the most significant benefits of web corporate reporting is the ability for organizations to compare their individual performance with others in the same industry or line of business. It improves understanding of the activities of companies while also keeping the companies themselves on their toes because the wider society is aware of the expected reporting standards.

Corporate financial reporting requirements necessitate the timely preparation of financial reports. When these reports are presented through the web, prepared and published on time, necessary actions can be taken to correct any anomalies that may have resulted in unfavorable outcomes.

Conclusion

As discussed in the chapter web reporting has taken a major place in reporting practices. All companies now a days prefer to report online as it reduces cost and saves time. It also reduces the wastage of paper. Moreover, the shareholders are able to access timely information which improves efficiency. Hence the importance of web reporting has increased overtime and disclosures are made more effectively and efficiently.

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