



Financial Reporting: Presentation of Group Readings

13th September 2021

Group E Allyson Barr, Colm Howlin, Hugo Leeney, Emer McAneny, Trevor Whyte

- High Quality Financial Reporting: The six legged stool
by Zabihollah Rezaee
- Accounting in crisis: a story of auditing, accounting, corporate governance, and market failure
by Prof Niamh Brennan

Corporate Governance

What we want



"Having audited your accounts, we can't find anything at all suspicious. Which makes us very suspicious."

What we get

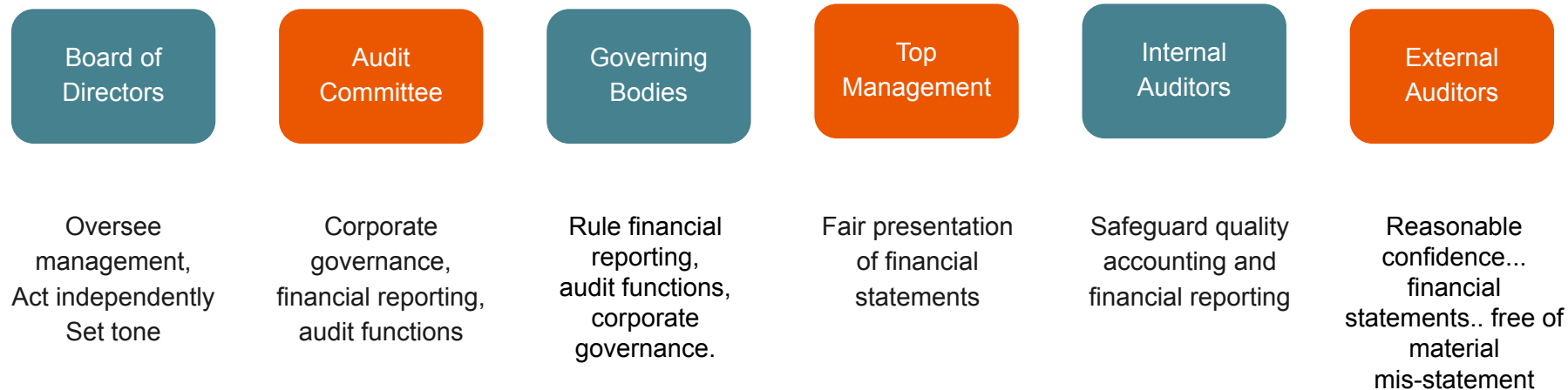


"Yes! Our financial data is PERFECT; nobody touch ANYTHING until the auditors leave!"

"Corporate governance refers to the system by which companies are directed and controlled.
... balance of power reflecting the rights of owners, managers, lenders and other stakeholders..."

High Quality Financial Reporting: The Six-Legged Stool

By Zabihollah Rezaee (2003), Strategic Finance, 84(8): 1- 4.



Accounting in crisis: a story of auditing, accounting, corporate governance and market failures

By Brennan, Niamh (2003), Irish Banking Review, Summer: 2-17.

- “Just one perspective” & “reasonable assurance”
- Human weakness & subjectivity
- 3 (non)-safeguarding entities
- Analyst firms
- Recommended reforms

Wrap Up

Rezaee

Ideal structure of corporate governance to ensure good financial reporting

Brennan

Systemic challenge of human weakness within corporate governance

Alternative article recommendations

1. Murray, J. and P. White. 2021. The corporate governance review: Ireland. *The Law Review*. <https://thelawreviews.co.uk/title/the-corporate-governance-review/ireland>.
2. Hilb M. 2020. Toward artificial governance? The role of artificial intelligence in shaping the future of corporate governance. *Journal of Management and Governance*. 24, 851–870.. <https://doi.org/10.1007/s10997-020-09519-9>

Further Reading for Class

- The UK Corporate Governance Code
<https://www.frc.org.uk/getattachment/88bd8c45-50ea-4841-95b0-d2f4f48069a2/2018-UK-Corporate-Governance-Code-FINAL.PDF>
- Revisions Proposed to the UK Corporate Governance Code: An Overview and Comparison with Aspects of US Corporate Governance
<https://www.natlawreview.com/article/revisions-proposed-to-uk-corporate-governance-code-overview-and-comparison-aspects>